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from:	Presidency
to:	Delegations
No. Cion prop.:	15397/2/11 REV 2 - COM(2011) 626 final/3 14477/12 - COM(2012) 535 final
Subject:	Proposal for a Regulation of the European Parliament and of the Council establishing a common organisation of the markets in agricultural products (Single CMO Regulation) *(CAP Reform)* - *Consolidated draft regulation*

Delegations will find attached a consolidated version of the draft Regulation for information at this stage.

This text reflects the agreement reached in the informal trilogue with the European Parliament and the Commission on 26 June 2013.

This text also reflects the state of play in the ongoing legal finalisation exercise between the three institutions and may still be subject to some final legal revision.

The final version of this consolidated text (subject to final linguistic revision) will be made available to the Special Committee on Agriculture for approval at a later stage.

ANNEX I

Draft

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

establishing a common organisation of the markets in agricultural products

(Single CMO Regulation)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first subparagraph of Article 42 and Article 43(2) thereof,

Having regard to the proposal from the European Commission[1],

After transmission of the draft legislative act to the national ~~P~~*p*arliaments,

Having regard to the opinion of the European Economic and Social Committee[2],

Having regard to the opinion of the Committee of Regions,[3]

Having regard to the opinion of the Court of Auditors,[4]

~~**Having consulted the European Data Protection Supervisor**[5]**,**~~

Acting in accordance with the ordinary legislative procedure[6],

Whereas:

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1 OJ C […], […], p. […].

2 ***OJ C 191, 29.6.2012, p. 116, and OJ C 44, 15.2.2013, p. 158.***

3 ***OJ C 225, 27.7.2012, p. 174.***

4 OJ C …

5 Opinion of […] OJ C […], […], p. […]..

6 OJ C […], […], p. […].

(1) The Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on "The CAP towards 2020: Meeting the food, natural resources and territorial challenges of the future"[1] sets out potential challenges, objectives and orientations for the Common ~~a~~*A*gricultural Policy (CAP) after 2013. In the light of the debate on that Communication, the CAP should be reformed with effect from 1 January 2014. That reform should cover all the main instruments of the CAP, including Council Regulation (E***C***~~U~~) No ~~**[COM(2010)799]**~~ ***1234/2007*** ~~**of […]**~~ ***22 October 2007*** ~~**establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)**~~[2]. In view of the scope of the reform, it is appropriate to repeal ***that*** Regulation ~~**(EU) No [COM(2010)799]**~~ and to replace it with a new Single CMO Regulation. The reform should also, as far as possible, harmonise, streamline and simplify the provisions, particularly those covering more than one agricultural sector, including by ensuring that non-essential elements of measures may be adopted by the Commission by way of delegated acts.

~~**(2) It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.**~~

~~**(3) Pursuant to Article 43(3) of the Treaty on the Functioning of the European Union (the Treaty), the Council shall adopt measures on fixing prices, levies, aid and quantitative limitations. In the interest of clarity, where Article 43(3) of the Treaty applies, this Regulation should explicitly refer to the fact that measures will be adopted by the Council on that basis.**~~

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1 COM(2010) 672 final, 18.11.2010.

2 ***Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)*** (OJ L 299, 16.11.2007, p. 1***)***.

(4) This Regulation should contain all the basic elements of the Single CMO. ~~**The fixing of prices, levies, aid and quantitative limitations is in certain cases inextricably linked to those basic elements.**~~

(5) This Regulation should apply to all agricultural products listed in Annex I to the Treaty ***on the European Union and the Treaty on the Functioning of the European Union*** in order to ensure the existence of a common organisation of the market for all such products, as required by Article 40(1) of the Treaty.

(6) It should be clarified that Regulation (EU) No […] [horizontal CAP Regulation][1] and the provisions adopted pursuant to it should ***in principle*** apply to the measures set out in this Regulation. In particular, the [horizontal CAP Regulation] lays down provisions to guarantee compliance with the obligations laid down by CAP provisions, including checks and the application of administrative measures and administrative penalties in case of non-compliance, and rules related to the lodging and releasing of securities and the recovery of undue payments.

(~~3~~6a) Pursuant to Article 43(3) of the Treaty on the Functioning of the European Union (the Treaty), the Council shall adopt measures on fixing prices, levies, aid and quantitative limitations. In the interest of clarity, where Article 43(3) of the Treaty applies, this Regulation should explicitly refer to the fact that measures will be adopted by the Council on that basis.

(~~8~~6b) Certain definitions concerning certain sectors should be set out in this Regulation. In order to take into account the specificities of the rice sector, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of ~~**updating**~~ ***amending*** the definitions concerning the rice sector ~~**set out in Part I of Annex II of this Regulation**~~ ***to the extent necessary to update them in the light of market developments***.

[1] …

(7) This Regulation ~~and other acts adopted under Article 43 to the Treaty~~ refer***s*** to the description of products and references to the headings or subheadings of the combined nomenclature. Amendments to the Common Customs Tariff nomenclature may necessitate consequential technical adjustments to ~~such~~ ***this*** Regulation~~s~~. ~~The Commission should be able to adopt implementing measures to make such adjustments.~~ ***In order to take into account such amendments, the power to adopt certain acts should be delegated to the Commission in respect of making the necessary adjustments.*** In the interests of clarity and simplicity, Council Regulation (E***E***C) No 234/79 ~~of 5 February 1979 on the procedure for adjusting the Common Customs Tariff nomenclature used for agricultural products~~[1] which currently provides for such a power should be repealed and the power integrated into th***e******is*** ~~present~~ Regulation.

~~(8) In order to take into account the specificities of the rice sector, the power to adopt certain acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of updating the definitions concerning the rice sector set out in Part I of Annex II of this Regulation.~~

~~(9) In order to ensure that production is orientated towards certain varieties of paddy rice, the Commission should be able to adopt implementing measures in respect of fixing increases and reductions of the public intervention price.~~

(10) Marketing years should be fixed for cereals, rice, sugar, dried fodder, seeds, ***wine,*** olive oil and table olives, flax and hemp, fruit and vegetables, ***processed fruit and vegetables,*** bananas, milk and milk products, and silkworms, and adapted as far as possible to the biological production cycles of each of those products.

[1] ***Council Regulation (EEC) No 234/79 of 5 February 1979 on the procedure for adjusting the Common Customs Tariff nomenclature used for agricultural products (***OJ L 34, 9.2.1979, p. 2***)***.

~~**(11) In order to take into account the specificities of the fruit and vegetables and processed fruit and vegetables sectors, the power to adopt certain acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of fixing the marketing years for those products.**~~

(12) In order to stabilise the markets and to ensure a fair standard of living for the agricultural community, a differentiated system of ~~**price**~~ ***market*** support for the different sectors has been developed and direct support schemes have been introduced, taking into account the different needs in each of these sectors on the one hand and the interdependence between different sectors on the other. Those measures take the form of public intervention or~~**, as the case may be,**~~ the payment of aid for private storage. There continues to be a need to maintain ~~**price**~~ ***market*** support measures whilst streamlining and simplifying them.

(12a) Union scales for the classification, identification and presentation of carcasses in the beef and veal, pigmeat, and sheepmeat and goatmeat sectors should be fixed for the purpose of price recording and for the application of the intervention arrangements in those sectors. Moreover, they pursue the objective of improving market transparency.

(13) For the sake of clarity and transparency, the provisions ***on public intervention*** should be made subject to a common structure, whilst maintaining the policy pursued in each sector. For that purpose it is appropriate to distinguish between reference ~~**prices**~~ ***thresholds*** and intervention prices and to define the latter, in particular, clarifying that only intervention prices for public intervention correspond to the applied administered prices referred to in the first sentence of paragraph 8 of Annex 3 to the WTO Agreement on Agriculture (i.e. ***market*** price ~~**gap**~~ support). In this context it should be understood that market intervention can take the form of public intervention as well as other forms of intervention that do not use ex-ante established price indications.

(14) As appropriate to each sector concerned in the light of the practice and experience under previous CMOs, the system of ***public*** intervention should be available during certain periods of the year and should be open during that period either on a permanent basis or should be opened depending on market prices.

~~**(15) The price level at which buying-in under public intervention, i.e. price gap support, should be carried out at a fixed price for certain quantities for some products and in other cases should depend on tendering, reflecting the practice and experience under previous CMOs.**~~

(16) This Regulation should provide for the possibility of disposal of products bought in public intervention. Such measures should be taken in a way that avoids market disturbances and that ensures equal access to goods and equal treatment of purchasers.

(16a) The existing scheme for food distribution to the most deprived in the Union adopted under the ~~**common agricultural policy**~~ ***CAP*** should be the subject of a separate regulation adopted to reflect its social cohesion objectives. Provision should nevertheless be made in this Regulation to allow for disposal of products held in public intervention by making them available for use in the scheme.

(17) ***To achieve the aim of balancing the market and stabilising the market prices, it may be necessary to grant aid for private storage of specific agricultural products.*** In order to ~~**ensure**~~ ***provide for*** market transparency, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of laying down the conditions under which it may decide to grant private storage aid ~~**in order to achieve the aim of balancing the market and stabilising the market prices**~~, ~~**and**~~ taking into account the market situation.

(18) In order to ***ensure that products bought in under public intervention or subject to aid for private storage are suitable for long-term storage and of fair, sound and marketable quality and to*** take into account the specificities of the different sectors ***for the purposes of ensuring the cost-effective operation of public intervention and private storage***, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of ~~**adopting**~~ ***laying down*** the requirements and conditions to be met by ***those*** products ***concerning their quality and eligibility*** ~~**to be bought-in under public intervention and to be stored under the system of private storage aid**~~, in addition to the requirements laid down in this Regulation ~~**as well as in respect of adopting the applicable price increases or reductions for quality purposes as regards both buying-in and sales and in respect of adopting the provisions relating to the obligation for the paying agencies to have all the beef boned after the take-over and prior to the placing into storage**~~.

(18a) In order to take account of the specificities of the cereals and paddy rice sectors, the power to adopt certain acts should be delegated to the Commission in respect of laying down the quality criteria as regards buying-in and sales of those products.

(19) In order to ***ensure appropriate storage capacity and the efficiency of the public intervention system in terms of cost effectiveness, distribution and access for operators, and to maintain the quality of products bought in under public intervention for their disposal at the end of the storage period*** ~~**take account of the diversity of situations relating to the storage of intervention stocks in the Union and to ensure adequate access to public intervention for operators**~~, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of the requirements to be met by ~~**intervention**~~ storage places for ~~**the**~~ ***all*** products ~~**to be bought-in under the system**~~ ***subject to public intervention***, ~~**provisions relating to the sale of small quantities remaining in storage in the Member States; and rules for direct sale quantities which may no longer be repackaged or are deteriorated; and certain**~~ rules on storage of products inside and outside the Member State responsible for them and their treatments as regards customs duties and any other amounts to be granted or levied under the CAP.

(20) In order to ensure that private storage has the desired effect on the market, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of ~~**measures for reducing the amount of aid to be paid**~~ ***rules and conditions applicable*** where the quantity stored is lower than the contracted quantity; ~~**and**~~ conditions for granting of an advance payment***; and the conditions for re-marketing and disposing of products covered by private storage contracts.***

(21) In order to ~~**safeguard the rights and obligations of operators participating in**~~ ***ensure the proper functioning of the*** public intervention ~~**or**~~ ***and*** private storage ~~**measures**~~ ***systems***, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of provi***ding***~~**sions relating to**~~ ***for*** the use of tendering procedures; ~~**the eligibility of**~~ ***additional conditions to be fulfilled by*** operators; and an obligation ***of the operator*** to lodge a security ~~**guaranteeing**~~.

(22) In order to ***take account of technical developments and of the needs of the beef and veal, pigmeat, and sheepmeat and goatmeat sectors, as well as the need to standardise the presentation of the different products for the purposes of improving market transparency, price recording and the application of the market intervention measures*** ~~**standardise the presentation of the different products for the purposes of improving market transparency, price recording and the application of market intervention arrangements in the form of public intervention and private storage**~~, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of ***adapting and updating*** Union scales for the classification of carcasses in ~~**the beef and veal, pigmeat and sheepmeat and goatmeat**~~ ***those*** sectors ***as well as laying down certain related additional provisions and derogations***.

(23) ~~**In order to ensure accuracy and reliability of the classification of carcasses, the power to adopt certain acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of the review of the application of classification of carcases in Member States by a Union committee.**~~

~~**(24) The existing scheme for food distribution to the most deprived in the Union adopted under the common agricultural policy should be the subject of a separate regulation adopted to reflect its social cohesion objectives. Provision should nevertheless be made in this Regulation to allow for disposal of products held in public intervention by making them available for use in the scheme.**~~

(25) The consumption of fruit and vegetables ***as well as milk*** and milk products ***by school children*** ~~**amongst children**~~ should be encouraged~~**;**~~ ***with a view to*** ~~**including by**~~ durably increasing the share of those products in the diets of children at the stage when their eating habits are being formed***, thus contributing to the objectives of the CAP, in particular stabilising markets and ensuring the availability of both current and future supplies***. Union aid to finance or co-finance the supply to children in educational establishments of such products should therefore be promoted.

(26) In order to ensure a sound budgetary management of the schemes, appropriate provisions for each one should be established. Union aid should not be used to replace funding for any national existing school fruit ***and vegetables*** schemes ***and school milk schemes***. In the light of budgetary constraints, Member States should nonetheless be able to replace their financial contribution to the schemes with contributions from the private sector. In order to make their school fruit ***and vegetables*** scheme***s and school milk schemes*** effective, ~~**Member States should provide for**~~ accompanying measures ***may be necessary*** for which ~~**Member States**~~ ***they*** should be allowed to grant national aid. ***Member States participating in the schemes should publicise the subsiding role of the Union aid.***

(27) In order to promote the healthy eating habits of children ***and to ensure that the aid is targeted at children in regular attendance at educational establishments administered or recognised by Member States***, ~~**to ensure the efficient and targeted use of European Funds and to promote awareness of the scheme**~~ the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of the school fruit scheme concerning~~**:** ***the additional criteria related to the targeting of aid*** ~~**the products that are ineligible for the scheme; the target group of the scheme; the national or regional strategies that Member States must draw up in order to benefit from the aid, including the accompanying measures;**~~ the approval and selection of aid applicants~~**; objective criteria for the allocation of aid between Member States, the indicative allocation of aid between Member States and the method for reallocating aid between Member States based on applications received; the costs eligible for aid, including the possibility of fixing an overall ceiling for such costs; and requiring participating Member States to publicise the subsidising role of the scheme** ***and on the drawing-up of national or regional strategies and on accompanying measures***.

(27a) In order to ensure the efficient and targeted use of Union funds, the power to adopt certain acts should be delegated to the Commission in respect of the school fruit scheme concerning the method for reallocating aid between Member States based on the basis of requests for aid applications received, the costs eligible for Union aid, including the possibility of fixing an overall ceiling for such costs; and the obligation for the Member States to monitor and evaluate the effectiveness of their school fruit and vegetables schemes.

(27b) In order to promote awareness of the school fruit and vegetables scheme, the power to adopt certain acts should be delegated to the Commission requiring participating Member States with a school fruit and vegetables scheme to publicise the subsidising role of the scheme Union aid.

(28) In order to take account of the evolution in the dairy products consumption patterns ~~**and of**~~ the innovations and developments on the dairy products market, ***the availability of products on the different markets of the Union and nutritional aspects,*** ~~**to ensure that the appropriate beneficiaries and applicants qualify for the aid and to promote awareness of the aid scheme,**~~ the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of the school milk scheme concerning: the products that are eligible for the scheme; ~~**the**~~ ***Member State's*** national or regional strategies***, including accompanying measures where applicable; and monitoring and evaluation*** ~~**that Member States must draw up in order to benefit from the aid and the target group for the scheme; the conditions for granting aid; the lodging of a security guaranteeing the execution where an advance of aid is paid; monitoring and evaluation; and requiring educational establishments to communicate the subsidising role of the scheme**~~.

(28a) In order to ensure that the appropriate beneficiaries and applicants qualify for the aid and the efficient and effective use of Union aid, the power to adopt certain acts should be delegated to the Commission in respect of the rules on the beneficiaries and applicants eligible for the aid; the requirement for the applicants to be approved by Member States; and the use of dairy products in the preparation of meals in educational establishments.

(28b) In order to ensure that aid applicants respect their obligations, the power to adopt certain acts should be delegated to the Commission in respect of measures on the lodging of a security where an advance of aid is paid.

(28c) In order to promote awareness of the aid scheme, the power to adopt certain acts should be delegated to the Commission in respect of the conditions in accordance with which Member States are to publicise their participation in the school milk scheme and the fact that it is subsidised by the Union.

(28d) In order to ensure that the aid is reflected in the price of the products, the power to adopt certain acts should be delegated to the Commission in respect of the establishment of price monitoring under the school milk scheme.

~~**(29) The aid scheme for hop producer organisations is only used in one Member State. In order to create flexibility and to harmonise the approach in this sector with the other sectors, the aid scheme should be discontinued, with the possibility to support the producer organisations under rural development measures.**~~

(30) Union financing is required to encourage ~~**approved operator**~~ ***recognised producer*** organisations***, associations of producer organisations or interbranch organisations*** to draw up work programmes for the purpose of improving the production ~~**quality**~~ ***and marketing*** of olive oil and table olives. In that context, this Regulation should provide for Union support to be allocated in accordance with the priorities given to the activities undertaken within the respective work programmes. However~~**, the activities concerned should be limited to the most useful and** co-financing should be **introduced*** ***reduced*** in order to improve the ~~**quality**~~ ***efficiency*** of such programmes.

(31) In order to ensure ***the efficient and effective use of*** ~~**that**~~ the ***Union*** aid provided for ***producer organisations, associations of producer organisations or interbranch organisations in the*** olive oil and table olive ~~**operator organisations**~~ ***sector*** ~~**meet their objective of**~~ ***to*** improv***e***~~**ing**~~ the production quality of olive oil and table olives ~~**and to ensure that olive oil and table olive operator organisations respect their obligations**~~, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission ~~**concerning**~~ ***in respect of*** ~~**the conditions for the approval of operator organisations for the purposes of the aid scheme, the suspension or withdrawal of such approval;**~~ the ***specific*** measures ~~**eligible for**~~ ***that can be financed by the*** Union ~~**financing**~~ ***aid and the activities and costs that cannot***; the ***minimum*** allocation of Union financing to ~~**particular measures**~~ ***specific areas***; the ~~**activities and costs that are not eligible for Union financing**~~ ***requirement to lodge a security***; and the ***criteria to be taken into account by Member States in the*** selection and approval of work programmes ~~**and concerning requiring the lodging of a security**~~.

(32) This Regulation ***should*** distinguish~~es~~ between fruit and vegetables, which include fruit and vegetables for marketing ***fresh*** and fruit and vegetables intended for processing, on the one hand, and processed fruit and vegetables, on the other hand. Rules on ~~**producer organisations**~~ ***operational funds***, operational programmes and Union financial assistance ***should*** only apply to fruit and vegetables and fruit and vegetables solely intended for ***processing both being treated in a parallel way***.

(33) The production of fruit and vegetables is unpredictable and the products are perishable. Even limited surpluses can significantly disturb the market. Therefore, measures for crisis management should be established and those measures should continue to be integrated into operational programmes.

(34) The production and marketing of fruit and vegetables should fully take into account environmental concerns, including cultivation practices, management of waste materials and disposal of products withdrawn from the market, in particular as regards protection of water quality, maintenance of biodiversity and the upkeep of the countryside.

(35) Support for setting up producer groups should be provided for all sectors in all Member States under rural development policy***.*** ~~***so t***~***T***~~he specific support in the fruit and vegetables sector should ***therefore*** be discontinued.

(36) In order to give producer organisations ***and their associations*** in the fruit and vegetables sector greater responsibility for their financial decisions and to gear the public resources assigned to them towards future requirements, terms should be set out for the use of those resources. Joint financing of operational funds set up by producer organisations ***and their associations*** is an appropriate solution. Additional scope for financing should be permitted in particular cases. Operational funds should only be used to finance operational programmes in the fruit and vegetables sector. In order to control Union expenditure, there should be a cap on assistance granted to producer organisations ***and their associations*** that establish operational funds.

(37) In regions where the organisation of production in the fruit and vegetables sector is weak, granting of additional national financial contributions should be allowed. In case of Member States which are at a particular disadvantage with regard to structures, such contributions should be reimbursed by the Union.

(38) In order to ensure an efficient, targeted and sustainable support of producer organisations ***and their associations*** in the fruit and vegetables sector, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of operational funds and operational programmes, the ***national framework and national strategy for operational programmes concerning the*** ~~**structure and content of a**~~ ***obligation to monitor and evaluate the effectiveness of the*** national framework and ~~**a**~~ ***the*** national strateg***ies***~~**y**~~; Union financial assistance; crisis prevention and management measures; and national financial assistance.

(39) It is important to provide for support measures in the wine sector which are liable to strengthen competitive structures. While those measures should be defined and financed by the Union, it should be left to Member States to select the appropriate set of measures to meet the needs of their regional bodies, taking into account their particularities, where necessary, as well as integrating them into national support programmes. Member States should be responsible for the implementation of such programmes.

(40) One key measure eligible for national support programmes should be the promotion and marketing of Union wines ~~**in third countries**~~. ***Support to innovation can increase the marketability and competitiveness of Union grapevine products.*** Restructuring and conversion activities should continue to be covered on account of their positive structural effects on the wine sector. Support should also be available for investments in the wine sector which are geared towards improving economic performance of the enterprises as such. Support for by-product distillation should be a measure available to Member States which desire to use such an instrument to ensure the quality of wine, while preserving the environment.

(41) Preventive instruments such as harvest insurance, mutual funds and green harvesting should be eligible for support under the wine support programmes so as to encourage a responsible approach to crisis situations.

(42) The provisions on support to vine-growers by way of allocation of payment entitlements as decided by Member States were made definitive ***as from the financial year 2015.*** ~~**Therefore the only such support which may be provided is the one decided by Member States by 1 December 2013**~~ under Article ***103n*** ~~**137**~~ of Regulation (E~~**U**~~***C***) No ***1234/2007*** ~~**[COM(2011)799]**~~ and under the conditions set out in that provision.

(43) In order to ensure that ***Member States'*** wine support programmes meet their objectives and that there is ~~**a**~~ ***an efficient and effective*** ~~**targeted**~~ use of the European ~~**F**~~***f***unds, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of rules: on the responsibility for expenditure between the date of receipt ***by the Commission*** of the support programmes, and modifications to support programmes and their date of applicability; ~~**on eligibility criteria of support measures,**~~ ***on*** the ***content of support programmes and the*** ~~**type of**~~ expenditure***, administrative and personnel costs*** and operations ***that may be included in Member States' support programmes and the conditions for and the possibility to make payments through intermediaries in the case of support for harvest insurance*** ~~**eligible for support; measures ineligible for support and the maximum level of support per measure; on changes to support programmes after they have become applicable**~~; on ~~**requirements and thresholds for advance payments, including**~~ the requirement ~~**for**~~ ***to lodge*** a security where an advance payment is made; ***in the use of certain terms; on the fixing of a ceiling for expenditure on the replanting of vineyards for health or phytosanitary reasons;*** ~~**containing general provisions and definitions for the purposes of support programmes; to avoid misuse of the support measures and**~~ ***on the avoidance of*** double funding of projects; under which producers shall withdraw the by-products of winemaking, exceptions from this obligation in order to avoid additional administrative burden and provisions for the voluntary certification of distillers; ***and*** ~~**laying down the requirements for the**~~ ***enabling*** Member States ***to establish conditions for the proper functioning*** ~~**for the implementation**~~ of ~~**the**~~ support measures~~**, as well as restrictions to ensure consistency with the scope of the support measures; regarding payments to beneficiaries, including payments through insurance intermediaries**~~.

(44) Beekeeping is characterised by the diversity of production conditions and yields and the dispersion and variety of economic operators, both at the production and marketing stages. Moreover, in view of the ***increasing incidence on bee health of certain types of hive invasions and in particular of the*** spread of varroasis in several Member States in recent years and the problems which that disease causes to honey production, action by the Union continues to be necessary as varroasis cannot be completely eradicated and is to be treated with approved products. Given such circumstances and in order to improve the production and marketing of apiculture products in the Union, national programmes for the sector should be drawn up every three years with a view to improving the general conditions for the production and marketing of apiculture products. Those national programmes should be partly financed by the Union.

(44a) The measures which may be included in the apiculture programmes should be specified. In order to ensure that the Union aid scheme is adapted to the latest developments and that the measures covered are effective in improving the general conditions for the production and marketing of apiculture products, the power to adopt certain acts should be delegated to the Commission in respect of updating the list of measures by adapting those measures or adding new measures.

(45) In order to ensure ~~**a targeted**~~ ***the effective and efficient*** use of Union funds for apiculture, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of~~**:**~~ ***the avoidance of double funding between Member States' apiculture programmes and rural development programmes*** ~~**the measures which may be included in apiculture programmes, rules on the obligations relating to the content of national programmes, their drawing up and the related studies;**~~ and the ~~**conditions for**~~ ***basis of*** the allocation of the Union's financial contribution to each participating Member State.

(45a) In accordance with Regulation (EC) No 73/2009, the hops area payment was decoupled from 1 January 2010. In order to allow the hop producer organisations to continue their activities as before, a specific provision should be made for equivalent amounts to be used in the Member State concerned for the same activities. In order to ensure that the aids finance the aims of producer organisations as set out in this Regulation, the power to adopt certain acts should be delegated to the Commission in respect of aid applications, rules on eligible hop areas and the calculation of aids.

(46) Union aid for silkworm rearing should be decoupled into the direct payments system following the approach taken for aids in other sectors.

(47) The aid for Union-produced skimmed milk and skimmed-milk powder intended for use as a feedingstuff and for processing into casein and caseinates has not proved effective in supporting the market and should therefore be discontinued, along with the rules concerning the use of casein and caseinates in the manufacture of cheese.

(47a) Regulation (EC) No 1234/2007 sets out the deadline of 31 December 2015 for the application of the transitional planting rights regime. The decision to end the transitional prohibition on planting vines at Union level on that date is justified by the attainment of the main objectives of the reform of the Union wine market organisation in 2008, in particular the end of the long-standing structural surplus of wine production and the progressive improvement of competitiveness and market orientation of the wine sector in the Union. Such positive developments resulted from a marked decrease of vine areas across the Union, the exit of less competitive producers, as well as the phasing-out of certain market support measures removing the incentive for investments without economic viability. The reduction of supply capacity and the support for structural measures and promotion of wine exports allowed for a better adaptation to a decreasing demand at Union level, which results from a progressive decrease of consumption in traditional wine-producing Member States.

(47b) However, the perspectives of progressive growth of demand at world market level provide an incentive to increase supply capacity, and therefore to plant new vines, over the next decade. While the key objective of increasing the competitiveness of Union wine sector should be pursued in order not to lose market share in the world market, an excessively quick increase of new vine plantings in response to forecasted development in international demand may lead again to a situation of excessive supply capacity in the medium-term with possible social and environmental effects in specific wine production areas. In order to ensure an orderly growth of vine plantings during the period between 2016 and 2030, a new system for the management of vine plantings should be established at Union level; a scheme of authorisations for vine plantings.

(47c) Under this new system, authorisations may be granted without a cost to be charged to the producers, and should expire after three years if they are not used. This would contribute to the swift and direct use of the authorisations by the wine producers to whom they are granted, avoiding speculation.

(47d) The growth of new vine plantings should be framed by a safeguard mechanism at Union level based on the obligation for Member States to make available annually authorisations for new plantings representing 1% of the planted vine areas, while allowing for certain flexibility in order to respond to specific circumstances of each Member State. Member States should be able to decide on making available smaller areas at national or regional levels, including for areas eligible for specific protected designations of origin and protected geographical indications, on the basis of objective and non-discriminatory grounds, while ensuring the limitations imposed are above 0% and are not over-restrictive in relation to the objectives pursued.

(47e) In order to guarantee that authorisations are granted in a non-discriminatory manner, certain criteria should be laid down in particular when the total quantity of authorisations made available by Member States is exceeded by the total of applications requested by producers.

(47f) The granting of authorisations to producers grubbing up an existing vine area should be done automatically upon submission of an application and independently of the safeguard mechanism for new plantings, since it does not contribute to the overall increase of vine areas. In specific areas eligible for the production of wines with protected designation of origin or protected geographical indication, Member States should have the possibility to restrict the granting of such authorisations for replantings on the basis of recommendations of recognised and representative professional organisations.

(47g) This new scheme of authorisations for vine plantings should not apply to Member States not applying the Union transitional planting rights regime and be optional for those Member States where, although the planting rights apply, the vine planting area is below a certain threshold.

(47h) Transitional provisions should be laid down in order to ensure a smooth transition between the former planting rights regime and the new scheme, in particular in order to avoid excessive plantings before the start of the new scheme. Member States should have a certain flexibility to decide on the deadline for the presentation of requests for conversion of planting rights into authorisations between 31 December 2015 up to 31 December 2020.

(47i) In order to ensure a harmonised and effective implementation of the new scheme of authorisations for vine plantings, the power to adopt certain acts should be delegated to the Commission in respect of the conditions for the exemption of certain vine plantings from the scheme, the rules relating to the eligibility and priority criteria, the addition of eligibility and priority criteria, the co-existence of vines to be grubbed up with newly planted vines, and the grounds on which Member States may restrict the granting of authorisations for replantings.

(47j) The control of non-authorised plantings should be done effectively in order to ensure the compliance with the rules for the new scheme.

(48) The application of standards for the marketing of agricultural products can contribute to improving the economic conditions for the production and marketing as well as the quality of such products. The application of such standards is therefore in the interest of producers, traders and consumers.

(49) Following the Communication from the Commission on agricultural product quality policy[1] and subsequent debates, it is ~~**deemed**~~ appropriate to maintain marketing standards by sectors or products, in order to take into account the expectations of consumers and to contribute to the improvement of the economic conditions for the production and marketing of agricultural products as well as to their quality.

(50) ~~**In order to guarantee that all products are of sound, fair and marketable quality, and without prejudice to Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety[2], a basic general marketing standard as envisaged in the aforementioned Communication of the Commission should be appropriate for products not covered by marketing standards by sectors or products. When such products conform to an applicable international standard, as appropriate, those products should be considered as conforming to the general marketing standard.**~~

~~**(51) For some sectors and/or products, definitions, designations and/or sales descriptions are important elements for the determination of conditions of competition. Therefore, it is appropriate to lay down definitions, designations and sales descriptions for those sectors and/or products, which should only be used in the Union for the marketing of products which comply with the corresponding requirements.**~~

(52) Provisions of a horizontal nature should be established for marketing standards.

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[1] COM/2009/0234 final.
[2] OJ L 31, 1.2.2002, p. 1.

(52a) Marketing standards should be divided between obligatory rules for specific sectors or products and optional reserved terms to be established on a sectoral or product basis.

(52b) Marketing standards should, in principle, apply to all agricultural products concerned marketed in the Union.

(52c) The sectors and products for which marketing standards may apply should be listed in this Regulation. However, in order to take account of the expectations of consumers and the need to improve the quality and the economic conditions for the production and marketing of agricultural products, the power to adopt certain acts should be delegated to the Commission in respect of modifying that list, under strict conditions.

(5***92d***) In order to take account of the expectations of consumers and to ~~**contribute to the**~~ improve~~**ment of**~~ the economic conditions for the production and marketing ~~**of agricultural products**~~ as well as ~~**to their**~~ ***the*** quality ***of certain agricultural products,*** and in order to adapt to the constantly changing market conditions, to the evolving consumer demands, ~~**as well as in order to take into account**~~ ***and to*** the developments in relevant international standards ~~**and**~~ ***as well as*** to ~~**take technical progress into account and**~~ avoid creating obstacles to product innovation, the power ~~**to adopt certain acts in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of ~~**acts to**~~ adopt***ing*** marketing standards by sectors or products, at all stages of the marketing, as well as derogations and exemptions from ~~**the application of**~~ such standards ~~**and in respect of necessary modification, derogation or exemption from definitions and sales descriptions**~~. ***The marketing standards should take into account, inter alia, the natural and essential characteristics of the products concerned and thus avoid causing substantial changes in the ordinary composition of the product concerned. Moreover they should take into account the possible risk for consumers being misled due to expectations and perceptions; any derogation or exemptions from the standards should not entail additional costs which should be borne solely by farmers.***

(53) Marketing standards should apply to enable the market to be ***easily*** supplied with products of standardised and satisfactory quality and should relate, in particular, to ***technical*** definitions, ~~**grading into**~~ class***ification*****e**s, presentation***, marking*** and labelling, packaging, production method, conservation, ***storage,*** transport, ~~**information on producers, content of certain substances**~~ ***related administrative documents, storage, certification and time limits***, ~~**related administrative documents, storage, certification and time limits**~~ ***restrictions of use and disposal***.

(54) Taking into account the interest of ***producers to communicate the product and farming characteristics and the interest of*** consumers to receive adequate and transparent product information, it should be possible to determine the place of farming ***and origin***, on a case by case approach at the appropriate geographical level, while taking into account the specificities of some sectors, in particular concerning processed agricultural products.

~~**(55) Marketing standards should apply to all agricultural products marketed in the Union.**~~

(56) ~~**It is appropriate to provide for s**~~***S***pecial rules ***should be provided*** in respect of products imported from third countries if national provisions in force in third countries justify derogations from the marketing standards if their equivalence to Union legislation is guaranteed. ***It is also appropriate to determine rules relating to the application of the marketing standards applicable to the products exported from the Union.***

~~**(57) It is appropriate to introduce the possibility for Member States to maintain or adopt certain national rules on quality levels as regards spreadable fats.**~~

~~(58) In order to address changes in the market situation, taking into account the specificity of each sector, the power to adopt certain acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of acts to adopt, modify and derogate from requirements related to the general marketing standard, and rules concerning the conformity to it.~~

(58a) Products of the fruit and vegetables sector intended to be sold fresh to the consumer should be marketed only if they are sound, fair and of marketable quality and if the country of origin is indicated. In order to ensure the proper application of that requirement and to take into account certain specific situations, the power to adopt certain acts should be delegated to the Commission in respect of specific derogations from that requirement.

(58b) A quality policy should be followed throughout the Union by applying a certification procedure for products of the hops sector and by prohibiting the marketing of such products for which a certificate has not been issued. In order to ensure the proper application of that requirement and to take into account certain specific situations, the power to adopt certain acts should be delegated to the Commission in respect of measures derogating from that requirement in order to satisfy the trade requirements of certain third countries or for products intended for special uses.

~~(59) In order to take account of the expectations of consumers to contribute to the improvement the economic conditions for the production and marketing of agricultural products as well as to their quality and in order to adapt to the constantly changing market conditions, to the evolving consumer demands, as well as in order to take into account the developments in relevant international standards and to take technical progress into account and avoid creating obstacles to product innovation, the power to adopt certain acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of acts to adopt marketing standards by sectors or products, at all stages of the marketing, as well as derogations and exemptions from the application of such standards and in respect of necessary modification, derogation or exemption from definitions and sales descriptions.~~

(~~51~~*59a*)For ~~some~~ ***certain*** sectors and~~/or~~ products, definitions, designations and~~/or~~ sales descriptions are important elements for the determination of conditions of competition. Therefore, it is appropriate to lay down definitions, designations and sales descriptions for those sectors and/or products, which should only be used in the Union for the marketing of products which ***conform to*** ~~comply~~ with the corresponding requirements.

(59b) In order to adapt the definitions and sales descriptions for certain products to the needs resulting from the evolving consumer demands, technical progress and needs for product innovation, the power to adopt certain acts should be delegated to the Commission in respect of modification, derogation or exemption from definitions and sales descriptions.

(59ba) In order to ensure that operators and Member States have a clear and proper understanding of the definitions and sales descriptions laid down for certain sectors, the power to adopt certain acts should be delegated to the Commission in respect of the rules for their specification and application.

(59c) In order to take into account the specificity of each product or sector, the different marketing stages, the technical conditions, any possible considerable practical difficulty, and also the accuracy and repeatability of the methods of analysis, the power to adopt certain acts should be delegated to the Commission concerning a tolerance for one or more specific standards beyond which the entire batch of products should be considered not to respect the standard.

(~~77~~59d) ~~**It is appropriate to determine c**~~***C***certain oenological practices and restrictions for the production of wine ***should be determined***, in particular as regards coupage and the use of certain types of grape must, grape juice and fresh grapes originating in third countries. In order to meet the international standards, for further oenological practices, the Commission should ~~**as a general rule base itself on**~~ ***take into account*** the oenological practices recommended by the International Organisation of Vine and Wine (OIV).

(~~7~~659e) ~~**It is appropriate to lay down r**~~***R***ules ***should be laid down*** for the classification of wine grape varieties, according to which Member States producing more than 50 000 hectolitres per year continue to be responsible for classifying the wine grape varieties from which wine may be made on their territories. Certain wine grape varieties should be excluded.

(~~5~~759f) ~~**It is appropriate to introduce the possibility for**~~ Member States ***should be able*** to maintain or adopt certain national rules on quality levels as regards spreadable fats.

(~~7~~859g) For the wine sector, Member States should be allowed to limit or to exclude the use of certain oenological practices and be allowed to keep more stringent restrictions for wines produced in their territory, as well as ~~**permit**~~ ***allow*** the experimental use of unauthorised oenological practices ~~**under conditions to be defined**~~.

(60) In order to ensure the correct and transparent application of national rules for certain products and/or sectors as regards marketing standards, the power to adopt certain acts ~~***in accordance with Article 290 of the Treaty***~~ should be delegated to the Commission in respect of establishing conditions for application of such marketing standards as well as the conditions for the holding, circulation and use of the products obtained from the experimental practices.

(60new) In addition to marketing standards, optional reserved terms should be established in order to ensure that terms describing specific product characteristics, or farming or processing attributes are not misused in the market place and can be relied on by consumers in identifying different qualities of product. In the light of the objectives of the present Regulation and in the interest of clarity, existing optional quality terms should be listed in this Regulation.

(60a) Member States should be allowed to set up rules concerning the disposal of wine products not complying with the requirements of this regulation. In order to ensure the correct and transparent application of national rules concerning wine products, the power to adopt certain acts should be delegated to the Commission in respect of establishing conditions for the use of wine products not complying with the requirements of this regulation.

(60b) In order to take into account the situation in the market and developments in marketing standards and in international standards, the power to adopt certain acts should be delegated to the Commission in respect of reserving an additional optional reserved term and laying down conditions of its use, and amending the conditions of use of an optional reserved term, and cancelling an optional reserved terms.

(60c) In order to take into account the characteristics of certain sectors and consumer expectations, the power to adopt certain acts should be delegated to the Commission in respect of details on the requirements for the introduction of an additional reserved term.

(60d) In order to ensure that products described by means of optional reserved terms conform to the applicable conditions of use, the power to adopt certain acts should be delegated to the Commission in respect of additional rules on the use of optional reserved terms.

(61) In order to take account of the specificities in trade between the Union and certain third countries~~,~~ ***and*** the special character of ~~**some**~~ ***certain*** agricultural products ~~**and the specificity of each sector**~~, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission ~~**concerning a tolerance for each marketing standard beyond which the entire batch of products should be considered as not respecting the standard and**~~ concerning ~~**rules which define**~~ the conditions under which imported products are considered as providing an equivalent level of ~~**compliance with**~~ ***conformity to*** the Union requirements concerning marketing standards and which allow for measures derogating from the rules that products be marketed in the Union only in accordance with such standards and ~~**determine**~~ the rules relating to the application of the marketing standards to products exported from the Union.

(~~75~~61a) Provisions concerning wine should be applied in the light of the ***international*** agreements concluded ~~**under Article 218 of**~~ ***in accordance with*** the Treaty.

(62) The concept of quality wines in the Union is based, inter alia, on the specific characteristics attributable to the wine's geographical origin. Such wines are identified for consumers through protected designations of origin and geographical indications. In order to allow for a transparent and more elaborate framework underpinning the claim to quality by the products concerned, a regime should be established under which applications for a designation of origin or a geographical indication are examined in line with the approach followed by Union's horizontal quality policy applicable to foodstuffs other than wine and spirits ***set out*** in ~~**Council**~~ Regulation (EC) No ***1151/2012*** ~~**510/2006**~~ of ***the European Parliament and of the Council*** ~~**20 March 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs**~~[1].

(63) In order to preserve the particular quality characteristics of wines with a ***protected*** designation of origin or a ***protected*** geographical indication, Member States should be allowed to apply more stringent rules.

(64) To qualify for protection in the Union, designations of origin and geographical indications for wine should be recognised and registered at the Union level in accordance with procedural rules laid down by the Commission.

(65) Protection should be open to designations of origin and geographical indications of third countries where they are protected in their country of origin.

(66) The registration procedure should enable any natural or legal person having a legitimate interest in a Member State or a third country to exercise ~~**his**~~ ***their*** rights by notifying ~~**his**~~ ***their*** objections.

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[1] ***Council Regulation (EC) No 510/2006 of 20 March 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs (***OJ L 93, 31.3.2006, p. 12***)***.

(67) Registered designations of origin and geographical indications should enjoy protection against uses which unduly take advantage of the reputation that complying products command. So as to promote fair competition and not to mislead consumers, that protection should also affect products and services not covered by this Regulation, including those not found in Annex I to the ~~**Treaty**~~ ***Treaties***.

(68) In order to take ***into account*** existing labelling practices ~~**into account**~~, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of permitting the use of a name of a wine grape variety ~~**to be used even though it**~~ ***which*** contains or consists of a protected designation of origin or a protected geographical indication.

(69) In order to take ***into*** account ~~**of**~~ the specificities of the production in the demarcated geographical area, ~~**to ensure product quality and traceability and to ensure the legitimate rights or interests of producers or operators**~~ the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission ~~**concerning**~~ ***in respect of*** the ~~**principles**~~ ***additional criteria*** for the demarcation of the geographical area, and ~~**definitions,**~~ ***the*** restrictions and derogations ~~**related to**~~ ***concerning*** the production in the demarcated geographical area~~**; concerning the conditions under which product specifications may include additional requirements; and concerning the elements of the product specification; the type of applicant that may apply for the protection of a designation of origin or geographical indication; the procedures to be followed in respect of an application for the protection of a designation of origin or geographical indication, including on preliminary national procedures, scrutiny by the Commission, objection procedures, and procedure on amendment, cancellation and conversion of protected designations of origin or protected geographical indication; the procedures applicable to trans-border applications; procedures for applications relating to geographical areas in a third country; the date from which protection shall run; the procedures related to amendments to product specifications; and the date on which an amendment shall enter into force**~~.

(69a) In order to ensure product quality and traceability, the power to adopt certain acts should be delegated to the Commission in respect of the conditions under which product specifications may include additional requirements.

(69b) In order to ensure the legitimate rights or interests of producers or operators, the power to adopt certain acts should be delegated to the Commission in respect of the type of applicant that may apply for the protection of a designation of origin or geographical indication; the conditions to be followed in respect of an application for the protection of a designation of origin or geographical indication, scrutiny by the Commission, objection procedure, and procedures for amendment, cancellation and conversion of protected designations of origin or protected geographical indication; the conditions applicable to trans-border applications; the conditions for applications relating to geographical areas in a third country; the date from which protection or an amendment thereto applies; and the conditions relating to amendments to product specifications.

(70) In order to ensure adequate protection ~~**and that economic operators and competent authorities are not prejudiced by the application of this Regulation as regards wine names which have been granted protection prior to 1 August 2009**~~, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of ~~**adoption**~~ restrictions regarding the protected name ~~**and in respect of transitional provisions concerning: wine names recognised by Member States as designations of origin or geographical indications by 1 August 2009; preliminary national procedure; wines placed on the market or labelled before a specific date; and amendments to the product specifications**~~.

(70a) In order to ensure that economic operators and competent authorities are not prejudiced by the application of this Regulation as regards wine names which have been granted protection prior to 1 August 2009 or for which an application for protection has been made prior to that date, the power to adopt certain acts should be delegated to the Commission in respect of transitional provisions concerning such wine names; wines placed on the market or labelled before a specific date; and amendments to the product specifications.

(71) Certain terms are traditionally used in the Union and convey information to consumers about particularities and quality of wines complementing the information conveyed by ***protected*** designations of origin and geographical indications. So as to ensure the working of the internal market and fair competition and to avoid consumers being misled, those traditional terms should be eligible for protection in the Union.

(72) In order to ensure an adequate protection~~**, the legitimate rights of producers or operators and to take account of the specificities in trade between the Union and certain third countries**~~ the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of ~~**provisions regarding**~~ the language and the spelling of a traditional term to be protected~~**; regarding the definition of the type of applicants that may apply for the protection of a traditional term; the conditions of validity of an application for recognition of a traditional term; the grounds for objecting to a proposed recognition of a traditional term; the scope of the protection, including the relationship with trade marks, protected traditional terms, protected designations of origin or geographical indications, homonyms, or certain wine grape names; the grounds for cancellation of a traditional term; the date of submission of an application or a request; the procedures to be followed in respect of an application for the protection of a traditional term, including scrutiny by the Commission, objection procedures and the procedures on cancellation and modification and in respect of the conditions under which traditional terms may be used on products from third countries and provide for related derogations**~~.

(72a) In order to ensure the legitimate rights of producers or operators, the power to adopt certain acts should be delegated to the Commission in respect of the type of applicants that may apply for the protection of a traditional term; the conditions of validity of an application for recognition of a traditional term; the grounds for objecting to a proposed recognition of a traditional term; the scope of the protection, including the relationship with trade marks, protected traditional terms, protected designations of origin or geographical indications, homonyms, or certain wine grape names; the grounds for cancellation of a traditional term; the date of submission of an application or a request; and the procedures to be followed in respect of an application for the protection of a traditional term, including scrutiny by the Commission, objection procedures and the procedures on cancellation and modification.

(72b) In order to take into account the specificities in trade between the Union and certain third countries, the power to adopt certain acts should be delegated to the Commission in respect of the conditions under which traditional terms may be used on products from third countries and providing for related derogations.

(73) The description, designation and presentation of products of the wine sector covered by this Regulation can have significant effects on their marketability. Differences between the laws of the Member States on the labelling of products of the wine sector may impede the smooth functioning of the internal market. Rules should therefore be laid down which take into account the legitimate interests of consumers and producers. For this reason, it is appropriate to provide for Union rules on labelling ***and presentation***.

(74) In order to ensure compliance with existing labelling practices~~, with horizontal rules related to labelling and presentation, and to consider the specificities of the wine sector; in order to ensure the efficiency of the certification, approval and verification procedures and the legitimate interests of operators and that economic operators are not prejudiced~~ the power to adopt certain acts ~~in accordance with Article 290 of the Treaty~~ should be delegated to the Commission in respect of exceptional circumstances justifying omitting reference to the terms "protected designation of origin" or "protected geographical indication"~~; in respect of the presentation and use of labelling particulars other than those provided for in this Regulation; certain compulsory particulars; optional particulars; and presentation; in respect of the necessary measures as regards labelling and presentation of wines bearing a designation of origin or a geographical indication, whose designation of origin or geographical indication meets the necessary requirements; in respect of wine placed on the market and labelled before 1 August 2009; and in respect of derogations on labelling and presentation~~.

(74a) In order to take into account the specificities of the wine sector, the power to adopt certain acts should be delegated to the Commission in respect of the presentation and use of labelling particulars other than those provided for in this Regulation; certain compulsory and optional particulars; and presentation.

(74b) In order to ensure the legitimate interests of operators, the power to adopt certain acts should be delegated to the Commission in respect of temporary labelling and presentation of wines bearing a designation of origin or a geographical indication where that designation of origin or geographical indication meets the necessary requirements.

(74c) In order to ensure that economic operators are not prejudiced, the power to adopt certain acts should be delegated to the Commission in respect of transitional provisions as regards wine placed on the market and labelled in accordance with the relevant rules applying before 1 August 2009.

(74d) In order to take into account the specificities in trade in wine sector products between the Union and certain third countries, the power to adopt certain acts should be delegated to the Commission in respect of the derogations from the rules on labelling and presentation as regards products to be exported where required by the legislation of the third country concerned.

~~**(75) Provisions concerning wine should be applied in the light of the agreements concluded under Article 218 of the Treaty.**~~

~~**(76) It is appropriate to lay down rules for the classification of wine grape varieties, according to which Member States producing more than 50 000 hectolitres per year continue to be responsible for classifying the wine grape varieties from which wine may be made on their territories. Certain wine grape varieties should be excluded.**~~

~~**(77) It is appropriate to determine certain oenological practices and restrictions for the production of wine, in particular as regards coupage and the use of certain types of grape must, grape juice and fresh grapes originating in third countries. In order to meet the international standards, for further oenological practices, the Commission should as a general rule base itself on the oenological practices recommended by the International Organisation of Vine and Wine (OIV).**~~

(~~**83**~~*77a*)Specific instruments will still be needed after the end of the quota system to ensure a fair balance of rights and obligations between sugar undertakings and sugar beet growers. Therefore, the standard provisions governing ***written*** agreements ***within the trade concluded*** between them should be established.

~~**(78) For the wine sector, Member States should be allowed to limit or to exclude the use of certain oenological practices and be allowed to keep more stringent restrictions for wines produced in their territory, as well as permit the experimental use of unauthorised oenological practices under conditions to be defined**~~.

(78a) To enable beet growers to complete their adaptation for the far-reaching reform carried out in the sugar sector in 2006 and to continue the efforts to become competitive that have been undertaken since then, the present quota system should be extended until it is abolished at the end of the 2016/2017 marketing year.

(~~84~~78a1) In order to ~~taking~~ *take* into account the ~~specificities~~ *special characteristics* of the sugar sector ~~and the interests of all parties~~, the power to adopt certain acts ~~in accordance with Article 290 of the Treaty~~ should be delegated to the Commission in respect of ~~such~~ *updating the technical definitions concerning the sugar sector; updating the purchase terms for* agreements *within the trade for buying sugar beet and sugar cane~~, in particular as regards the conditions governing the purchase, delivery, taking over and payment of beet~~; and further rules on the determination of gross weight, tare and sugar content of sugar delivered to an undertaking and on sugar pulp*.

(78a1a) The considerable and recurrent tensions observed on the European sugar market call for a mechanism that, for as long as necessary, releases non-quota sugar onto the internal market applying the same conditions as for quota sugar. This mechanism should, at the same time, permit additional imports at zero duty in order to ensure sufficient raw materials are available on the Union sugar market and to preserve the structural balance of this market.

(78a2) In order to take into account the special characteristics of the sugar sector and to ensure that the interests of all parties are duly taken into account, and given the need to prevent any disturbance of the market, the power to adopt certain acts should be delegated to the Commission in respect of delivery contracts and purchase terms; updating the purchase terms for agreements within the trade laid down in this Regulation; and the criteria to be applied by the sugar undertakings when allocating among beet sellers the quantities of beet to be covered by pre-sowing delivery contracts.

(78a3) In order to take account of the decisions taken by the Member States, the power to adopt certain acts should be delegated to the Commission in respect of adjustment of the national and regional quotas for the production of sugar, isoglucose and inulin syrup set out in this Regulation.

(78a4) In order to take account of technical developments, the power to adopt certain acts should be delegated to the Commission in respect of establishing a list of products for the production of which industrial sugar, industrial isoglucose or industrial inulin syrup may be used.

(78a5) In order to ensure that approved undertakings producing or processing sugar, isoglucose or inulin syrup comply with their obligations, the power to adopt certain acts should be delegated to the Commission in respect of the granting and the withdrawal of approval for such undertakings, as well as the criteria for administrative penalties.

(78a5a)In order to take into account the special characteristics of the sugar sector and to ensure that the interests of all parties are duly taken into account, the power to adopt certain acts should be delegated to the Commission in respect of the meaning of terms for the operation of the quota system; and the conditions governing sales to outermost regions.

(78a6) In order to ensure that the beet growers are closely associated with a decision to carry forward a certain quantity of production, the power to adopt certain acts should be delegated to the Commission in respect of carry-forward of sugar.

(80~~78~~78b) For a better management of wine-growing potential Member States should communicate to the Commission an inventory of their production potential based on the vineyard register. To encourage Member States to communicate the inventory, support for restructuring and conversion ~~is~~ ***should be*** limited to those Member States which have communicated the inventory.

(78c) In order to facilitate the monitoring and the verification of the production potential by Member States, the power to adopt certain acts should be delegated to the Commission in respect of the content of the vineyard register and exemptions.

(79) In order to provide for a satisfactory level of traceability of the products concerned, in particular in the interest of consumer protection, ~~**provision should be made for**~~ all the wine sector products covered by this Regulation ***should be required*** to have an accompanying document when circulating within the Union.

~~**(80) For a better management of wine-growing potential Member States should communicate to the Commission an inventory of their production potential based on the vineyard register. To encourage Member States to communicate the inventory, support for restructuring and conversion is limited to those Member States which have communicated the inventory.**~~

~~**(81) In order to facilitate the monitoring and the verification of the production potential by Member States, the power to adopt certain acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of the scope and content of the vineyard register and exemptions.**~~

(82) In order to facilitate the transport of wine products and verification thereof by Member States, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of rules on the accompanying document~~**,**~~ ***and*** its ***use*** ~~**usage and the exemptions to the obligation to use such a document; establish**~~ ***on*** the conditions under which an accompanying document is to be regarded as certifying protected designations of origin or geographical indications; ~~**establish**~~ ***on*** an obligation to keep a register ***and on its use***; ***on*** specify***ing*** who shall keep a register and ***on*** exemptions from the obligation to keep a register; ~~**indicate**~~ ***and on*** the operations to be included in the register~~**; and establish rules concerning the use of accompanying documents and registers**~~.

~~**(83) Specific instruments will still be needed after the end of the quota system to ensure a fair balance of rights and obligations between sugar undertakings and sugar beet growers. Therefore, the standard provisions governing agreements between them should be established.**~~

~~**(84) In order to taking into account the specificities of the sugar sector and the interests of all parties, the power to adopt certain acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of such agreements, in particular as regards the conditions governing the purchase, delivery, taking over and payment of beet.**~~

(90*~~84~~**a)*In the absence of Union legislation on formalised, written contracts, Member States may, within their own contract law systems, make the use of such contracts compulsory provided that in doing so the Union law is respected and in particular that the proper functioning of the internal market and the common market organisation is respected. Given the diversity of situations across the Union, in the interests of subsidiarity, such a decision should remain with Member States. However, in the milk and milk products sector, to ensure appropriate minimum standards for such contracts and good functioning of the internal market and the common market organisation, some basic conditions for the use of such contracts should be laid down at the Union level. ***All such basic conditions should be freely negotiated.*** Since some dairy co-operatives may have rules with similar effect in their statues, in the interests of simplicity they should be exempted from the requirement for a contract. In order to ~~**ensure that any**~~ ***strengthen the effectiveness of*** such system ~~**is effective**~~ ***Member States should decide whether*** it should apply equally where intermediate parties collect milk from farmers to deliver to processors.

(84b) In order to ensure the viable development of production and thus a fair standard of living for dairy farmers, their bargaining power vis-à-vis processors should be strengthened which should result in a fairer distribution of value-added along the supply chain. Therefore, in order to attain these CAP objectives, a provision should be adopted pursuant to Articles 42 and 43(2) of the Treaty to allow producer organisations constituted by dairy farmers or their associations to negotiate jointly contract terms, including price, for some or all of its members' raw milk production with a dairy. In order to maintain effective competition on the dairy market, this possibility should be subject to appropriate quantitative limits. So as not to undermine the effective functioning of cooperatives and for the sake of clarity, it should be specified that, when a farmer's membership of a cooperative entails an obligation, in respect of all or a part of that farmer's milk production, to deliver raw milk, the conditions of which are set out in the cooperative's statutes or in the rules and decisions based thereon, those conditions should not be subject to a negotiation through a producer organisation.

(84c) In view of the importance of protected designations of origin and protected geographical indications, notably for vulnerable rural regions, and in order to ensure the value added and to maintain the quality of, in particular, cheeses benefiting from protected designations of origin and protected geographical indications, and in the context of the expiring milk quota system, Member States should be allowed to apply rules to regulate the entire supply of such cheese produced in the defined geographical area at the request of an interbranch organisation, a producer organisation or a group as defined in Regulation (EU) No 1151/2012. Such a request should be supported by a large majority of milk producers representing a large majority of the volume of milk used for that cheese and, in the case of interbranch organisations and groups, by a large majority of cheese producers representing a large majority of the production of that cheese.

(84d) In order to follow developments in the market, the Commission needs timely information on volumes of raw milk delivered. Therefore, provision should be made to ensure that the first purchaser communicates such information to the Member States on a regular basis and that the Member State notifies the Commission thereof.

(85) Producer organisations and their associations can play useful roles in concentrating supply and promoting best practices. Interbranch organisations can play important part in allowing dialogue between actors in the supply chain, and in promoting best practices and market transparency. ~~**Existing rules on the definition and recognition of such organisations and their associations covering certain sectors should therefore be harmonised, streamlined and extended to provide for recognition on request under statutes set out in EU law in all sectors**~~.

(85a) Existing rules on the definition and recognition of producer organisations, their associations, and interbranch organisations should therefore be harmonised, streamlined and extended to provide for possible recognition on request under statutes set out in accordance with this Regulation for certain sectors. In particular the recognition criteria and statutes of producer organisations should ensure that such bodies are formed on the initiative of producers and controlled in accordance with rules enabling the producer members to scrutinise democratically their organisation and its decisions.

(86) Existing provisions in various sectors, boosting the impact of producer organisations their associations and interbranch organisations by permitting Member States, under certain conditions, to extend certain rules of such organisations to non-member operators have proved effective and should be harmonised, streamlined and extended to all sectors.

(87) ~~**As regards live plants, beef and veal, pigmeat, sheepmeat and goatmeat, eggs and poultrymeat p**~~***P***rovision should be made for the possibility of adopting certain measures to facilitate the adjustment of supply to market requirements which may contribute to stabilising the markets and to ensuring a fair standard of living for the agricultural community concerned.

(88) In order to encourage action by producer organisation, ~~**their**~~ associations ***of producer organisation*** and interbranch organisations to facilitate the adjustment of supply to market requirements, with the exception of action relating to withdrawal from the market, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of measures ~~**concerning live plants, beef and veal, pigmeat, sheepmeat and goatmeat, eggs and poultrymeat sectors to**~~ improv***eing*** quality; promot***eing*** better organisation of production, processing and marketing; facilitat***eing*** the recording of market price trends; and permit***ting*** the establishment of short and long-term forecasts on the basis of the means of production used.

(89) In order to improve the operation of the market for wines, Member States should be able to implement decisions taken by interbranch organisations. The scope of such decisions should, however, exclude practices which could distort competition.

(89a) Whereas the use of formalised written contracts in the milk sector is covered by separate provisions, the use of such contracts may also help to reinforce the responsibility of operators in other sector and increase their awareness of the need to better take into account the signals of the market, to improve price transmission and to adapt supply to demand, as well as to help to avoid certain unfair commercial practices. In the absence of Union legislation concerning such contracts, Member States may, within their own contract law systems, decide to make the use of such contracts compulsory provided that in doing so Union law is respected and in particular that the proper functioning of the internal market and the common market organisation is respected.

(89b) In order to ensure the viable development of production and thus to ensure a fair standard of living for producers in the beef and veal and olive oil sectors, as well as producers of certain arable crops, their bargaining power vis-à-vis downstream operators should be strengthened, thereby resulting in a fairer distribution of value added along the supply chain. To achieve these CAP objectives, recognised producer organisations should be able to negotiate, subject to quantitative limits, the terms of delivery contracts including prices, for some or all of their members' production, provided that those organisations pursue one or more of the objectives of concentrating supply, the placing on the market of the products produced by its members and optimising production costs. The pursuit of these objectives should lead to the integration of activities that are significant in terms of volume of production and in terms of cost of the production and placing of the product on the market and this integration should be likely to generate significant efficiencies so that the activities of the producer organisation overall contribute to the fulfilment of the objectives of Article 39 of the Treaty.

(89c) In order to ensure the added value, and to maintain the quality of, in particular, cured ham benefiting from a protected designation of origin or a protected geographical indication, Member States should be allowed, subject to strict conditions, to apply rules to regulate the supply of such cured ham, provided that such rules are supported by a large majority of the producers of such ham and, where appropriate, by the producers of pigs in the geographical area relating to that ham.

~~(90) In the absence of Union legislation on formalised, written contracts, Member States may, within their own contract law systems, make the use of such contracts compulsory provided that in doing so the Union law is respected and in particular that the proper functioning of the internal market and the common market organisation is respected. Given the diversity of situations across the Union, in the interests of subsidiarity, such a decision should remain with Member States. However, in the milk and milk products sector, to ensure appropriate minimum standards for such contracts and good functioning of the internal market and the common market organisation, some basic conditions for the use of such contracts should be laid down at the Union level. Since some dairy co-operatives may have rules with similar effect in their statues, in the interests of simplicity they should be exempted from the requirement for a contract. In order to ensure that any such system is effective it should apply equally where intermediate parties collect milk from farmers to deliver to processors.~~

~~(91) In order to ensure the rational development of production and thus a fair standard of living for dairy farmers, their bargaining power vis-à-vis processors should be strengthened which should result in a fairer distribution of value-added along the supply chain. Therefore, in order to attain these CAP objectives, a provision should be adopted pursuant to Articles 42 and 43(2) of the Treaty to allow producer organisations constituted by dairy farmers or their associations to negotiate contract terms, including price, for some or all of its members' production with a dairy. In order to maintain effective competition on the dairy market, this possibility should be subject to appropriate quantitative limits.~~

(92) The registration of all supply contracts regarding hops produced in the Union is a burdensome measure and should be discontinued.

(93) In order to ensure that the objectives and responsibilities of producer organisations, associations of producer organisations~~, *and*~~ interbranch organisations ~~**and operator organisations**~~ are clearly defined so as to contribute to the effectiveness of their actions ***without undue administrative burden and without undermining the principle of freedom of association in particular toward non-members of such organisations*~~, to take into account the specificities of each sector, and to ensure the respect of competition and the good functioning of the common market organisation~~, the power to adopt certain acts ~~in accordance with Article 290 of the Treaty~~ should be delegated to the Commission in respect of rules on: the specific aims which may, ~~shall~~ ***must*** or ~~shall~~ ***must*** not be pursued by such organisations and associations ***and where applicable added to those laid down***~~, including derogations from those listed~~ in this Regulation; the rules of ***such organisations and*** associations***,*** the ***statutes of organisations other than producer organisations, the specific conditions applicable to the statutes of producer organisations in certain sectors, including derogations,*** ~~recognition~~ ***the*** structure, ~~legal personality,~~ membership ***period***, size~~,~~ ***democratic*** accountability and activities of such organisations and associations, the effects deriving from ~~recognition, the withdrawal of recognition, and~~ mergers; ***the conditions for recognition, withdrawal and suspension of recognition, the effects deriving thereof, as well as requirements to take remedial measures in the event of non-respect of the recognition criteria;*** transnational organisations and associations ***and the rules relating to administrative assistance in the case of transnational cooperation***; ***the sectors subject to Member States authorisation to which*** outsourcing ***applies and the conditions and the nature*** of activities ***which may be outsourced*** and the provision of technical means by organisations or associations; the ***basis for calculation of*** minimum volume or value of marketable production of organisations and associations; ***rules on the calculation of the volume of raw milk covered by negotiations by a producer organisation, the acceptance of members who are not producers in the case of producer organisations and who are not producer organisations in the case of association of producer organisations;***

the extension of certain rules of the organisations to non-members and the compulsory payment of subscriptions by non-members, including ***the use and allocation of that payment by those organisations and*** a list of stricter production rules which may be extended, further requirements as regards representativeness, the economic areas concerned, including Commission scrutiny of their definition, minimum periods during which the rules should be in force before their extension, the persons or organisations to whom the rules or contributions may be applied, and the circumstances in which the Commission may require that the extension of rules or compulsory contributions be refused or withdrawn.

~~**(94) A single market involves a trading system at the external borders of the Union. That trading system should include import duties and export refunds and should, in principle, stabilise the Union market. The trading system should be based on the undertakings accepted under the Uruguay Round of multilateral trade negotiations and in bilateral agreements.**~~

(95) Monitoring trade flows is foremost a matter of management which should be addressed in a flexible way. The decision on the introduction of licence requirements should be made taking account of the need for licences for the management of the markets concerned and, in particular, for monitoring the imports or exports of the products in question.

(96) In order to take ***into*** account ~~**of**~~ the ***international obligations of the Union and the applicable Union social, environmental and animal welfare standards, the need to monitor*** evolution of trade and market developments~~**, the needs of the markets concerned**~~ and ~~**when necessary for monitoring**~~ ***of*** imports or exports, ***the need for sound market management and the need to reduce the administrative burden,*** the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of the list of the products ~~**of sectors**~~ subject to the presentation of an import or export licence; and the cases and situations where the presentation of an import or export licence is not required.

(97) In order to ~~define the main~~ *provide further* elements of the licence system, the power to adopt certain acts ~~in accordance with Article 290 of the Treaty~~ should be delegated to the Commission in respect of ~~acts to~~ *rules on*: ~~define~~ the rights and obligations deriving from the licence, its legal effects~~, including the possibility of a~~ *and the cases where a* tolerance *applies* as regards the respect of the obligation to import or export *the quantity mentioned in the licence or where the origin is to be indicated*~~, and the indication of the origin and provenance where that is compulsory; provide that~~ the issue of an import licence or the release into free circulation ~~shall~~ be*ing* subject to the presentation of a document issued by a third country or an entity certifying inter alia the origin, the authenticity and the quality characteristics of the products; ~~adopt the rules applicable to~~ the transfer of the licence or~~, as necessary, the~~ restrictions on th*at*~~is~~ transmissibility; *additional conditions for import licences for hemp* ~~adopt the rules necessary for the reliability and the efficiency of the licence system~~ and the ~~situations where a specific~~ *principle of* administrative assistance between Member States ~~is needed~~ to prevent or deal with cases of fraud and irregularities; and ~~determine~~ the cases and situations where the lodging of a security guaranteeing that the products are imported or exported within the period of validity of the licence is or is not required.

(98) The essential elements of customs duties applicable to agricultural products reflecting WTO agreements and bilateral agreements are laid down in the Common Customs Tariff. The Commission should be empowered to adopt measures for the detailed calculation of import duties pursuant to those essential elements.

~~(99) In order to prevent or counteract adverse effects on the Union market which could result from imports of certain agricultural products, imports of such products should be subject to payment of an additional duty, if certain conditions are fulfilled.~~

(100) ***The entry price system should be maintained for certain products.*** In order to ensure the efficiency of the entry price system, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of ~~**providing for inclusion a**~~ check***ing*** ~~**of**~~ the ***veracity of the declared price of a consignment using a flat-rate import value*** ~~**customs value against another value than the unit price**~~ ***and to provide the conditions under which the lodging of a security is required***.

(~~**99**~~***100a***) In order to prevent or counteract adverse effects on the Union market which could result from imports of certain agricultural products, imports of such products should be subject to payment of an additional duty, if certain conditions are fulfilled.

(101) It is appropriate, under certain conditions, to open and administer import tariff quotas resulting from international agreements concluded in accordance with the Treaty or from other acts. ***The method of administration adopted should, for import tariff quotas, give due weight to the supply requirements of the existing and emerging Union production, processing and consumption market in terms of competitiveness, certainty and continuity of supply and the need to safeguard the equilibrium of the market.***

(101a) In order to carry out the undertakings under the agreements concluded during the Uruguay Round of multilateral trade negotiations concerning tariff rate quotas for import into Spain of 2 000 000 tonnes of maize and 300 000 tonnes of sorghum, and tariff rate quotas for import into Portugal of 500 000 tonnes of maize, the power to adopt certain acts should be delegated to the Commission in respect of establishing the provisions necessary for carrying out the tariff quota imports and, where appropriate, the public storage of the quantities imported by the paying agencies of the Member States concerned.

(102) In order to ensure fair access to the quantities available~~, the application of the agreements, commitments and rights of the Union,~~ and an equal treatment of operators within the import tariff quota, the power to adopt certain acts ~~in accordance with Article 290 of the Treaty~~ should be delegated to the Commission in respect of ~~acts to~~: determin***ing*~~e~~ the conditions and eligibility requirements that an operator has to fulfil to submit an application within the import tariff quota; ~~adopt provisions relating to~~ ***establishing rules on*** the transfer of rights between operators and whe***re***~~n~~ necessary the limitations to transfer within the management of the import tariff quota; mak***ing***~~e~~ the participation in the import tariff quota subject to the lodging of a security; ~~adopt all the~~ ***providing, where*** necessary***,*** ~~provisions~~ for any particular specificities, requirements or restrictions applicable to the tariff quota as set out in the international agreement or other act concerned.

(103) Agricultural products may in certain cases benefit from special import treatment in third countries if the products comply with certain specifications and/or price conditions. Administrative cooperation between the authorities in the importing third country and the Union is necessary to ensure the correct application of such a system. To that end, the products should be accompanied by a certificate issued in the Union.

(104) In order to ensure that products that are exported may benefit from a special treatment on import into a third country if certain conditions are respected, ~~in accordance with~~ ***pursuant to international*** agreements concluded by the Union in accordance with ~~Article 218 of~~ the Treaty, the power to adopt certain acts ~~in accordance with Article 290 of the Treaty~~ should be delegated to the Commission in respect of requiring the competent authorities of the Member States, on request and after appropriate checks, to issue a document certifying that the conditions are met.

(104a) In order to prevent illicit crops from disturbing the market for hemp for fibre, this Regulation should provide for checks on imports of hemp and hemp seed to ensure that such products offer certain guarantees with regard to the tetrahydrocannabinol content. In addition, imports of hemp seed intended for uses other than sowing should continue to be subject to a control system which provides for the authorisation of the importers concerned.

(104b) A quality policy is being followed throughout the Union as regards products of the hops sector. In the case of imported products, the provisions ensuring that only products complying with equivalent minimum quality characteristics are imported should be incorporated in this Regulation. In order to minimise the administrative burden, the power to adopt certain acts should be delegated to the Commission in respect of the conditions under which obligations related to an attestation of equivalence and the labelling of packaging are not to apply.

(104c) The Union has concluded several preferential market access arrangements with third countries which allow those countries to export cane sugar to the Union under favourable conditions. The related provisions on the evaluation of the refiners' need for sugar for refining and, under certain conditions, the reservation of import licences to specialised users of significant quantities of imported raw cane sugar, which are considered to be full-time refiners in the Union, should be maintained for a certain period. In order to ensure that imported sugar for refining is refined in accordance with those requirements, the power to adopt certain acts should be delegated to the Commission in respect of the use of terms for the operation of import arrangements; the conditions and eligibility requirements that an operator has to fulfil to lodge an application for an import licence, including the lodging of a security, and rules on administrative penalties to be charged.

(105) The customs duty system makes it possible to dispense with all other protective measures at the external borders of the Union. The internal market and duty mechanism could, in exceptional circumstances, prove to be inadequate. In such cases, in order not to leave the Union market without defence against disturbances that might ensue, the Union should be able to take all necessary measures without delay. Such measures should comply with the international commitments of the Union.

(106) ~~**The possibility of prohibiting the use of inward and outward processing arrangements should be provided for.**~~ It is ~~**thus**~~ appropriate to enable suspension of the use of inward and outward processing arrangements ~~**in such situations**~~ ***where the Union market is disturbed or is liable to be disturbed by such arrangements***.

(107) ~~**Provisions for granting r*R***~~efunds on exports to third countries, based on the difference between prices within the Union and on the world market, and falling within the limits set by the commitments made within the WTO, should ***be retained as a measure which may cover*** ~~**serve to safeguard the Union's participation in international trade in**~~ certain products ~~**falling within**~~ ***to which*** this Regulation ***applies when conditions of the internal market fall under the scope of those described for exceptional measures***. Subsidised exports should be subject to limits in terms of value and quantity***, and, without prejudice to the application of exceptional measures, the refund available should be zero***.

(108) Compliance with the limits in terms of value should be ensured at the time when the export refunds are fixed through the monitoring of payments under the rules relating to the European Agricultural Guarantee Fund. Monitoring can be facilitated by the compulsory advance fixing of export refunds, while allowing the possibility, in the case of differentiated refunds, of changing the specified destination within a geographical area to which a single export refund rate applies. In the case of a change of destination, the export refund applicable to the actual destination should be paid, with a ceiling on the amount applicable to the destination fixed in advance.

(109) Compliance with the quantity limits should be ensured by a reliable and effective system of monitoring. To that end, the granting of export refunds should be made subject to an export licence. Export refunds should be granted up to the limits available, depending on the particular situation of each product concerned. Exceptions to that rule should be permitted only for processed products not listed in Annex I to the Treat***ies***~~**y**~~, to which volume limits do not apply. Provision should be made for a derogation from strict compliance with management rules where exports benefiting from export refunds are not likely to exceed the quantity laid down.

(110) In the case of the export of live bovine animals, ~~**provision should be made whereby**~~ export refunds ***should be*** ~~**are**~~ granted and paid only if the provisions established in Union legislation concerning animal welfare, in particular those concerning the protection of animals during transport, are respected.

~~**(111) In order to ensure equality of access to export refunds for exporters of agricultural products covered by this Regulation, the power to adopt certain acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of applying certain rules for agricultural products to products exported in the form of processed goods.**~~

~~**(112) In order to encourage exporters to respect animal welfare conditions and to enable the competent authorities to verify correct expenditure of export refunds where this is conditional on respect for animal welfare requirements, the power to adopt certain acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of animal welfare requirements outside the customs territory of the Union, including the use of independent third parties.**~~

(113) In order to ensure ~~**that operators respect their obligations when participating in tendering procedures**~~ ***the proper functioning of the export refund system***, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of ~~**designating the primary requirement for release of licence securities for tendered export refunds**~~ ***the obligation to lodge a security guaranteeing the execution of operator's obligations***.

(114) In order to minimise the administrative burden for operators and authorities, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of acts to set thresholds below which the obligation to issue or present an export licence may not be required, designate destinations or operations where an exemption for the obligation to present an export licence can be justified and permit in justified situation***s*** export licences to be granted ex-post.

(115) In order to ~~adhere to~~ ***address*** practical situations justifying full or partial eligibility to export refunds, and in order to help operators bridge the period between the application for and the final payment of the export refund, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of ~~**measures pertaining to**~~ ***rules on***: another date for the refund; ~~**the consequences for the payment of the export refund when the product code or destination mentioned in a licence is not in conformity with the actual product or destination;**~~ advance payment of export refunds including the conditions for the lodging and release of a security; ~~**checks and**~~ ***additional*** proof when doubts on the real destination of products exist including the opportunity for re-importation into the customs territory of the Union; destinations treated as exports from the Union, and inclusion of destinations within the customs territory of the Union eligible for export refunds.

(~~**111**~~***115a)***In order to ensure equality of access to export refunds for exporters of ~~**agricultural**~~ products ~~**covered by this Regulation**~~ ***listed in Annex I to the Treaty and of products processed thereof***, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of applying certain rules for agricultural products to products exported in the form of processed goods.

(116) In order to ensure that products benefiting from export refunds are exported from the customs territory of the Union and to avoid their return to that territory, and ~~**in order**~~ to minimise the administrative burden for operators in generating and submitting proof that refund products reached a country of destination for differentiated refunds, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of ~~**measures pertaining to**~~ ***rules on***: the time limit by which the exit from the customs territory of the Union must be finalised, including the time for temporary re-entry; the processing that products benefiting from export refunds may undergo during that period; the proof of having reached a destination for differentiated refunds; the refund thresholds and conditions under which exporters may be exempted from such proof; and conditions for approval of proof of reaching a destination for differentiated refunds by independent third parties.

(*116a) **In order to encourage exporters to respect animal welfare conditions and in order to enable the competent authorities to verify correct expenditure of export refunds where this is conditional on respect for animal welfare requirements, the power to adopt certain acts should be delegated to the Commission in respect of animal welfare requirements outside the customs territory of the Union, including the use of independent third parties.***

(117) In order to take account of the specificities of the different sectors, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of specific requirements and conditions for operators and of the products eligible for an export refund ~~**including, in particular, the definition and characteristics of the products**~~, and the establishment of coefficients for the purposes of calculating export refunds ***taking into account the ageing process of certain spirit drinks obtained from cereals***.

~~**(118) In order to prevent illicit crops from disturbing the market for hemp for fibre, this Regulation should provide for checks on imports of hemp and hemp seed to ensure that such products offer certain guarantees with regard to the tetrahydrocannabinol content. In addition, imports of hemp seed intended for uses other than sowing should continue to be subject to a control system which provides for the authorisation of the importers concerned.**~~

(119) Minimum export prices for flowering bulbs are no longer useful and should be abolished.

(120) In accordance with Article 42 of the Treaty the provisions of the Treaty concerning competition ~~**shall**~~ apply to production of and trade in agricultural products only to the extent determined by Union legislation within the framework of Article 43(2) ~~**and (3)**~~ of the Treaty and in accordance with the procedure laid down therein.

(120a) In view of the specificities of the agricultural sector and its reliance on the good functioning of the entire food supply chain, including effective application of competition rules on all related sectors throughout the whole food chain, which can be highly concentrated, special attention should be dedicated to the application of competition rules as set out in Article 42 of the Treaty. To that end, there is a need for close cooperation between the Commission and the competition authorities of the Member States. Moreover, Guidelines adopted by the Commission, where appropriate, are a suitable instrument to provide guidance to undertakings and other stakeholders concerned.

(121) ***It should be provided that t*~~T~~he rules on competition relating to the agreements, decisions and practices referred to in Article 101 of the Treaty and to the abuse of dominant positions ~~**should be**~~ appl***y***~~**ied**~~ to the production of, and trade in, agricultural products, in so far as their application does not jeopardise the attainment of the objectives of the CAP.

(122) A special approach should be allowed in the case of farmers' or producer organisations or their associations the objective of which is the joint production or marketing of agricultural products or the use of joint facilities, unless such joint action excludes competition or jeopardises the attainment of the objectives of Article 39 of the Treaty.

(123) ***Without prejudice to regulation of supply for certain products, such as cheese and ham benefitting from a protected designation of origin or a protected geographic indication, or wine, which is governed by a specific set of rules, A****a* special approach should be followed as regards certain activities of interbranch organisations on the condition that they do not lead to the partitioning of markets, affect the sound operation of the CMO, distort or eliminate competition, entail the fixing of prices or quotas, or create discrimination***.**

(124) The proper ~~working~~ *functioning* of the ~~single~~ *internal* market would be jeopardised by the granting of national aid. Therefore, the provisions of the Treaty governing State aid should, as a general rule, apply to agricultural products. In certain situations exceptions should be allowed. Where such exceptions apply, the Commission should be in a position to draw up a list of existing, new or proposed national aid, to make appropriate observations to the Member States and to propose suitable measures.

(~~127~~*124a)* The provisions on the grubbing-up premium and certain measures under wine support programmes should not by themselves preclude national payments for the same purposes.

(125) Due to the specific economic situation of the production and marketing of reindeer and reindeer products, Finland and Sweden should continue to grant national payments in that regard.

(~~128~~*125a)* In Finland sugar beet growing is subject to particular geographical and climatic conditions which will adversely affect the sector beyond the general effects of the sugar reform. That Member State should therefore be authorised, on a permanent basis, to make national payments to its sugar beet growers.

(125b) Member States should be able to make national payments for co-financing the apiculture measures laid down under this Regulation as well as for the protection of apiaries disadvantaged by structural or natural conditions or under economic development programmes except for those allocated for production or trade.

(125c) Member States participating in the schemes to improve access to food for children should be able in addition to Union aid to grant national aid for the supply of the products and for certain related costs.

(126) In order to address justified cases of crisis even after the end of the transitional period, the distillation support measure provided for under the support programmes in 2012, Member States should be able to make national payments for crisis distillation within an overall budgetary limit of 15 % of the respective value of the Member State's relevant yearly budget for its national support programme. Such national payments should be notified to the Commission and approved ~~**under this Regulation**~~ before being granted.

~~**(127) The provisions on the grubbing-up premium and certain measures under wine support programmes should not by themselves preclude national payments for the same purposes.**~~

~~**(128) In Finland sugar beet growing is subject to particular geographical and climatic conditions which will adversely affect the sector beyond the general effects of the sugar reform. That Member State should therefore be authorised, on a permanent basis, to make national payments to its sugar beet growers.**~~

(129) Member States should be allowed to continue to make national payments for nuts as currently provided for under Article 120 of Regulation (EC) No 73/2009 in order to cushion the effects of decoupling of the former Union aid scheme for nuts. For clarity, since that Regulation is to be repealed, ~~**the**~~ ***those*** national payments should be provided for in this Regulation.

~~**(130) Restrictions to free circulation resulting from the application of measures intended to combat the spread of animal diseases could cause difficulties on the market in one or more Member States. Experience shows that serious market disturbances such as a significant drop in consumption or in prices may be attributed to a loss in consumer confidence due to public health or animal or plant health risks. In the light of experience measures attributable to a loss in consumer confidence should be extended to plant products.**~~

~~**(131) The exceptional market support measures for beef and veal, milk and milk products, pigmeat, sheepmeat and goatmeat, eggs and poultrymeat should be directly related to health and veterinary measures adopted in order to combat the spread of disease. They should be taken at the request of Member States in order to avoid serious disruption on the markets.**~~

(132) Special intervention measures should be provided in order to react efficiently and effectively against threats of market disturbance. The scope of those measures should be defined.

(133) In order to react efficiently and effectively against threats of market disturbance caused by significant price rises or falls on internal or external markets or ~~**any**~~ other ~~**factors affecting the market**~~ ***events and circumstances significantly disturbing or threatening to disturb the market, where that situation or its effects on the market is likely to continue or deteriorate***, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of the ~~**necessary**~~ measures ***necessary to address that market situation, while respecting any obligations resulting from international agreements and provided that any other measures available under this Regulation appear insufficient,*** ~~**for the sector concerned**~~ including~~**, where necessary,**~~ measure***s*** to extend or modify the scope, duration or other aspects of other measures provided for under this Regulation, ***or provide for export refunds,*** or suspend import duties in whole or in part including for certain quantities ~~**and**~~/or periods ***as necessary***.

(133a) Restrictions to free circulation resulting from the application of measures intended to combat the spread of animal diseases could cause difficulties on the market in one or more Member States. Experience shows that serious market disturbances such as a significant drop in consumption or in prices may be attributed to a loss in consumer confidence due to public health or animal or plant health risks. In the light of experience, measures attributable to a loss in consumer confidence should be extended to plant products.

(133b) The exceptional market support measures for beef and veal, milk and milk products, pigmeat, sheepmeat and goatmeat, eggs and poultrymeat should be directly related to health and veterinary measures adopted in order to combat the spread of disease. They should be taken at the request of Member States in order to avoid serious disruption on the markets.

(133c) In order to react effectively to exceptional circumstances, the power to adopt certain acts should be delegated to the Commission in respect of extending the list of product, as set out in this Regulation, for which exceptional support measures may be adopted.

(134) The Commission should be authorised to adopt the necessary measures to solve specific problems in case of emergency.

(134a) Reacting efficiently and effectively against threats of market disturbance may be of particular importance for the milk sector. Similarly, specific problems in case of emergency may arise. It is therefore necessary to emphasise that the adoption by the Commission of the above mentioned measures in case of market disturbance, including market imbalance, or those needed to solve specific problems in case of emergency may address in particular the milk sector.

(134b) In order to respond to periods of severe market imbalances, as exceptional measures specific categories of collective actions by private operators may be appropriate in order to stabilise the concerned sectors, subject to precise safeguards, limits and conditions. Where such actions could fall under the scope of Article 101(1) of the Treaty, the Commission should be enabled to provide a time-limited derogation. These actions should however be complementary to Union action in the framework of public intervention and private storage or of exceptional measures envisaged by this Regulation, and should not impair the functioning of the single market.

(135) ***It should be possible to require u*~~U~~ndertakings, Member States and/or third countries ~~**may be required**~~ to submit communications for the purposes of applying this Regulation, monitoring, analysing and managing the market in agricultural products, ensuring market transparency, the proper functioning of CAP measures, of checking, controlling, monitoring, evaluating and auditing CAP measures, and ~~**implementing**~~ ***complying with the requirements laid down in*** international agreements, including notification requirements under those agreements. In order to ensure a harmonised, streamlined and simplified approach, the Commission should be empowered to adopt all the necessary measures regarding communications. In so doing it should take into account the data needs and synergies between potential data sources.

(136) In order to ***ensure the integrity of information systems and to ensure the authenticity and legibility of documents and associated data transmitted*** ~~**make communications fast, efficient, accurate, and cost effective**~~, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of the nature and type of the information to be notified; ***the categories of data to be processed and maximum retention periods; the purpose of processing, in particular in the event of the publication of such data and their transfer to third countries;*** ~~**the methods of notification; the rules related to**~~ the access rights to the information or information systems made available; and the conditions ~~**and means**~~ of publication of the information.

(137) Union legislation concerning the protection of individuals with regard to the processing of personal data and on the free movement of such data, in particular Directive 95/46/EC of the European Parliament and of the Council ~~**of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data**~~[1] and Regulation (EC) No 45/2001 of the European Parliament and of the Council ~~**of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement**~~[2] of such data ***is*~~**~~are~~** applicable.

(137a) The European Data Protection Supervisor was consulted and has delivered an opinion on 14 December 2011[3].

(138) Funds should be transferred from the Reserve for crises in the agricultural sector under the conditions and procedure referred to ***in Article 24 of Regulation (EU) No xx/yyyy [HZ Regulation] and*** paragraph ~~**14**~~ ***[19c]***of the Interinstitutional Agreement between the European Parliament, the Council and the Commission on ***budgetary discipline,*** cooperation in budgetary matters and on sound financial management[4], and it should be clarified that this Regulation is the applicable basic act.

(139) In order to ensure the smooth transition from the arrangements provided for in Regulation (E***C***~~**U**~~) No ***1234/2007*** ~~**[COM(2010)799]**~~ to those laid down in this Regulation, the power to adopt certain acts ~~**in accordance with Article 290 of the Treaty**~~ should be delegated to the Commission in respect of the necessary measures, in particular those necessary to protect the acquired rights and legitimate expectations of undertakings.

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1 ***Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (OJ L 281, 23.11.1995, p. 31).***

2 ***Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement (OJ L 8, 12.1.2001, p. 1).***

3 OJ C …

4 OJ L […], […], p. […].

(*139a~~2~~*) ***In order to supplement or amend certain non-essential elements of this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission.*** It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

(140) The use of urgency procedure should be reserved for exceptional cases where ~~**this proves to be necessary**~~ ***imperative grounds of urgency so require*** in order to react efficiently and effectively against threats of market disturbance or where market disturbances are occurring. The choice of an urgency procedure should be justified and the cases in which the urgency procedure should be used should be specified.

(141) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and the Council ~~**of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers**~~[1].

(142) The examination procedure should be used for the adoption of the acts implementing this Regulation given that those acts relate to the CAP as referred to in point (ii) of Article 2(2) (b) of Regulation (EU) No 182/2011. However, the advisory procedure should be used for the adoption of the acts implementing this Regulation relating to competition matters given that the advisory procedure is used for the adoption of acts implementing competition law in general.

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[1] ***Regulation (EU) No 182/2011 of the European Parliament and the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (***OJ L 55, 28.2.2011, p. 13***)***.

(143) The Commission should adopt immediately applicable implementing acts where, in duly justified cases imperative grounds of urgency so require, relating to adopting, amending or revoking Union safeguard measures, suspending the use of processing or inward or outward processing arrangements, if necessary to react immediately to the market situation, and resolving specific problems in an emergency, if such immediate action is needed to deal with the problems.

(144) In respect of certain measures under this Regulation which require swift action or which consist in the mere application of general provisions to specific situations without involving discretion, the Commission should be empowered to adopt implementing acts without applying Regulation (EU) No 182/2011.

(145) The Commission should further be empowered to carry out certain administrative or management tasks which do not entail the adoption of delegated or implementing acts.

(145a) This Regulation should provide for certain specific rules concerning Croatia in accordance with the Act of Accession of Croatia[1].

(146) Pursuant to Regulation (E***C***~~U~~) No ***1234/2007*** ~~**[COM(2010)799]**~~ several sectoral measures, ~~**including on milk quotas, sugar quotas and other sugar measures and the restrictions on the planting of vines, as well as certain state aids,**~~ will expire within a reasonable period following the entry in force of this Regulation. After the repeal of Regulation (E***C***~~U~~) No ***1234/2007*** ~~**[COM(2010)799]**~~, the relevant provisions should continue to apply until the end of the schemes concerned.

[1] ***OJ L 112, 24.4.2012, p. 21.***

~~**(147) In order to ensure a smooth transition from the arrangements provided for in Regulation (EU) No [COM(2010)799] to the provisions of this Regulation, the Commission should be empowered to adopt transitional measures.**~~

(148) ***Council Regulation (EEC) No 922/72 laying down general rules for granting aid in respect of silkworms for the 1972/73 rearing year which is obsolete, Council Regulation (EEC) 234/79 on the procedures for adjusting the Common Customs Tariff nomenclature for agricultural products is superseded by this Regulation;*** Council Regulation (EC) No 1601/96 of 30 July 1996 laying down, in respect of hops, the amount of aid to producers for the 1995 harvest[1] is a temporary measure, which by its nature, is now obsolete. Council Regulation (EC) No 1037/2001 of 22 May 2001 authorising the offer and delivery for direct human consumption of certain imported wines which may have undergone oenological processes not provided for in Council Regulation (EC) No 1493/1999[2] has been superseded by the provisions of the Agreement between the European Community and the United States of America on trade in wine adopted by Council Decision 2006/232/EC ~~**of 20 December 2005**~~[3] and is therefore obsolete. In the interests of clarity and legal certainty**,** Regulations (EC) No 1601/96 and (EC) No 1037/2001 should be repealed.

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1 OJ L 206, 16.8.1996, p. 46.

2 OJ L 87, 24.3.2007, p. 1.

3 ***Council Decision 2006/232/EC of 20 December 2005 on the conclusion of the Agreement between the European Community and the United States of America on trade in wine (***OJ L 145, 31.5.2001, p. 12***).***

(149) ***Certain rules in the milk and milk products sector, in particular contractual relations and negotiations, regulation of supply of cheese with a protected designation of origin or protected geographical indication, declarations by first purchasers, producer organisations, associations of producer organisations and interbranch organisations have recently entered into force and*** ~~**As regards contractual relations in the milk and milk products sectors, the measures set out in this Regulation, are**~~ ***remain*** justified in the current economic circumstances of the dairy market and the structure of the supply chain. They should therefore be applied ***in that sector*** for a sufficiently long duration (both before and after the abolition of milk quotas) to allow them to have full effect. However, ~~**given their far-reaching nature, they**~~ ***those rules*** should ~~**nevertheless**~~ be temporary in nature, and be subject to review. The Commission should adopt reports on the development of the milk market, covering in particular potential incentives to encourage farmers to enter into joint production agreements, to be submitted by 30 June 2014 and 31 December 2018 respectively,

HAVE ADOPTED THIS REGULATION:

PART I

INTRODUCTORY PROVISIONS

Article 1

Scope

1. This Regulation establishes a common organisation of the markets for agricultural products, which shall mean all the products listed in Annex I ***to the Treaties*** ~~**TFEU**~~ with the exception of the fishery and aquaculture products listed in Annex I to Regulation (EU) No ***of the European Parliament and of the Council*** [COM(2011)416] ~~**on the common organisation of the markets in fishery and aquaculture products**~~[1].

2. Agricultural products as defined in paragraph 1 shall be divided into the following sectors as listed in Annex I ***to this Regulation***:
   (a) cereals, Part I of Annex I;
   (b) rice, Part II of Annex I;
   (c) sugar, Part III of Annex I;
   (d) dried fodder, Part IV of Annex I;
   (e) seeds, Part V of Annex I;
   (f) hops, Part VI of Annex I;
   (g) olive oil and table olives, Part VII of Annex I;
   (h) flax and hemp, Part VIII of Annex I;
   (i) fruit and vegetables, Part IX of Annex I;
   (j) processed fruit and vegetable~~s~~ ***products***, Part X of Annex I;
   (k) bananas, Part XI of Annex I;
   (l) wine, Part XII of Annex I;
   (m) live ***trees and other*** plants, ***bulbs, roots and the like, cut flowers and ornamental foliage,*** Part XIII of Annex I;
   (n) tobacco, Part XIV of Annex I;

[1] ***Regulation (EU) No ... of the European Parliament and of the Council of ... on the common organisation of the markets in fishery and aquaculture products (OJ L ...).***

(o) beef and veal, Part XV of Annex I;

(p) milk and milk products, Part XVI of Annex I;

(q) pigmeat, Part XVII of Annex I;

(r) sheepmeat and goatmeat, Part XVIII of Annex I;

(s) eggs, Part XIX of Annex I;

(t) poultrymeat, Part XX of Annex I;

(u) ethyl alcohol ***of agricultural origin***, Part XXI of Annex I;

(v) apiculture ***products***, Part XXII of Annex I;

(w) silkworms, Part XXIII of Annex I;

(x) other products, Part XXIV of Annex I.

Article 2

General common agricultural policy (CAP) provisions

Regulation (EU) No […]**[*Horizontal CAP Regulation*]** ~~**on the financing, management and monitoring of the common agricultural policy**~~ and the provisions adopted pursuant to it shall apply in relation to the measures set out in this Regulation.

Article 3

Definitions

1. For the purposes of this Regulation, the definitions concerning certain sectors as set out in Annex II shall apply.

1a. The definitions set out in Section B of Part 1a of Annex II shall only apply during the period referred to in Article 100a.

2. The definitions set out in Regulation (EU) No […]***of the European Parliament and of the Council [Horizontal CAP Regulation]*** ~~**on the financing, management and monitoring of the common agricultural policy**~~[1], Regulation (EU) No […] ***of the European Parliament and of the Council*** ~~**establishing rules for direct payment to farmers under support schemes within the framework of the common agricultural policy**~~[2] and Regulation (EU) No […] ***of the European Parliament and of the Council*** ~~**on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)**~~[3] shall apply~~**, where necessary**~~ for the purposes of this Regulation***, save as otherwise provided for in this Regulation***.

3. ~~**Taking**~~ ***In order to take*** into account the specificities of the rice sector, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 ~~**to update**~~ ***amending*** the definitions concerning the rice sector set out in Part I of Annex II ***to the extent necessary to update the definitions in the light of market developments***.

4. For the purposes of this Regulation, "less developed regions" ~~**shall**~~ mean***s*** those regions defined as such in Article 82(2)(a) of Regulation (EU) ***No ... of the European Parliament and of the Council*** [COM(2011)615] ~~**laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006**~~[4].

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[1] ***Regulation (EU) No ... of the European Parliament and of the Council of ... on the financing, management and monitoring of the common agricultural policy (OJ L […], […], p. […]).***

[2] ***Regulation (EU) No ... of the European Parliament and of the Council of ... establishing rules for direct payment to farmers under support schemes within the framework of the common agricultural policy (OJ L […], […], p. […]).***

[3] ***Regulation (EU) No […]of the European Parliament and of the Council of ... on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (OJ L […], […], p. […]).***

[4] ***Regulation (EU) No ... of the European Parliament and of the Council of ... laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006 (***OJ L […], […], p. […]***).***

4a. For the purposes of this Regulation, 'adverse climatic event which can be assimilated to a natural disaster' means weather conditions such as frost, hail, ice, rain or drought which destroy more than 30 % of the average of annual production of a given farmer in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and lowest entry.

Article 4

Adjustments to the Common Customs Tariff nomenclature used for agricultural products

Where necessary in order to take into account amendments to the combined nomenclature, t*~~T~~he Commission ***shall be empowered to adopt delegated acts in accordance with Article 160 ~~**may, by means of implementing acts, where necessary due to amendments to the combined nomenclature,**~~ adjust***ing*** the description of products and references ***in this Regulation*** to the headings or subheadings of the combined nomenclature ~~**in this Regulation or other acts adopted under Article 43(2)of the Treaty**~~.

~~**Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).**~~

Article 5

Conversion rates for rice

The Commission may, by means of implementing acts:

(a) fix the conversion rates for rice at various stages of processing, the processing costs and the value of by-products;
(b) adopt all necessary measures regarding the application of conversion rates for rice.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 6

Marketing years

The following marketing years shall be established:

(a) 1 January to 31 December of a given year for the ***fruit and vegetables, processed fruit and vegetables and*** banana sector***s***;

(b) 1 April to 31 March of the following year for:

  (i) the dried fodder sector;

  (ii) the silkworm sector;

(c) 1 July to 30 June of the following year for:

  (i) the cereals sector;

  (ii) the seeds sector;

  (iii) the olive oil and table olives sector;

  (iv) the flax and hemp sector;

  (v) the milk and milk products sector;

(d) 1 August to 31 July of the following year for the wine sector;

(e) 1 September to 31 August of the following year for the rice sector;

(f) 1 October to 30 September of the following year for the sugar sector.

~~**Taking into account the specificities of the fruit and vegetables and processed fruit and vegetables sectors, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 to fix the marketing years for those products.**~~

Article 7

Reference *threshold* ~~price~~

1. The following reference ***threshold*s~~prices~~** are fixed:

(a) as regards the cereals sector, EUR 101,31/tonne, related to the wholesale stage for goods delivered to the warehouse, before unloading;

(b) as regards paddy rice, EUR 150/tonne for the standard quality as defined in point A of Annex III, related to the wholesale stage for goods delivered to the warehouse, before unloading;

(c) as regards sugar of standard quality as defined in point B of Annex III, related to unpacked sugar, ex-factory:

(i) for white sugar: EUR 404,4/tonne;

(ii) for raw sugar: EUR 335,2/tonne~~.~~***;***

(d) as regards the beef and veal sector, EUR 2 224/tonne for carcasses of male bovine animals of grade R3 as laid down in the Union scale for the classification of carcasses of ~~**adult**~~ bovine animals ***aged 8 months or more referred to in point A of Annex IIIa*** ~~**pursuant to Article 18(8)**~~;

(e) as regards the milk and milk products sector:

(i) EUR 246,39 per 100 kg for butter;

(ii) EUR 169,80 per 100 kg for skimmed milk powder;

(f) as regards pigmeat, EUR 1 509,39/tonne for pig carcasses of a standard quality defined in terms of weight and lean meat content as laid down in the Union scale for the classification of pig carcasses ***referred to in point B of Annex IIIa*** ~~**pursuant to Article 18(8)**~~ as follows:

(i) carcasses weighing from 60 to less than 120 kg: grade E;

(ii) carcasses weighing from 120 to 180 kg: grade R***;***

(fa) as regards the olive oil sector:

(i) EUR 1779/tonne for extra virgin olive oil;

(ii) EUR 1710/tonne for virgin olive oil;

(iii) EUR 1524/tonne for lampante olive oil with 2 degrees of free acidity, this amount being reduced by EUR 36,70/tonne for each additional degree of acidity.

1a. The reference thresholds shall be kept under review by the Commission, taking account of objective criteria, notably developments in production, costs of production (particularly inputs), and market trends. When necessary, the reference thresholds shall be updated in accordance with the ordinary legislative procedure in the light of developments in production and markets.

PART II

INTERNAL MARKET

TITLE I

MARKET INTERVENTION

CHAPTER I

Public intervention and aid for private storage

Section 1

General provisions on public intervention and aid for private storage

Article 8

Scope

This Chapter lays down rules on market intervention concerning:

(a) public intervention, where products are ***bought in*** ~~**bought-in**~~ by the competent authorities of the Member States and stored by them until disposed of, and

(b) granting of aid for the storage of products by private operators.

Article 9

Origin of eligible products

Products eligible for buying-in under public intervention or for the granting of aid for private storage shall originate in the Union. In addition, if they come from crops, those crops shall have been harvested in the Union and if they come from milk, that milk shall have been produced in the Union.

Article 9a

Union scales for the classification of carcasses

Union scales for the classification of carcasses shall apply in accordance with Annex IIIa in the beef and veal sector as regards carcasses of bovine animals aged 8 months or more and in the pigmeat sector as regards pigs other than those that have been used for breeding.

In the sheepmeat and goatmeat sector Member States may apply a Union scale for the classification of sheep carcasses in accordance with the rules laid down in point C of Annex IIIa.

SECTION 2

PUBLIC INTERVENTION

Article 10

Products eligible for public intervention

Public intervention shall apply in respect of the following products ~~**subject to**~~ ***in accordance with*** the conditions laid down in this Section and ***any additional*** requirements and conditions ~~**to**~~ ***that may*** be determined by the Commission, by means of delegated ***acts pursuant to Article 18*** and~~**/or**~~ implementing acts~~**,**~~ pursuant to Article~~**s 18 and**~~ 19:

(a) common wheat, ***durum wheat,*** barley and maize;

(b) paddy rice;

(c) fresh or chilled meat of the beef and veal sector falling within CN codes 0201 10 00 and 0201 20 20 to 0201 20 50;

(d) butter produced directly and exclusively from pasteurised cream obtained directly and exclusively from cow's milk in an approved undertaking in the Union of a minimum butterfat content, by weight, of 82 % and a maximum water content, by weight, of 16 %;

(e) skimmed milk powder of top quality made from cow's milk in an approved undertaking in the Union by the spray process, with a minimum protein-content of 34,0 % by weight of the fat free dry matter.

Article 11

Public intervention periods

Public intervention shall be available for:

(a) common wheat, ***durum wheat,*** barley and maize, from 1 November to 31 May;

(b) paddy rice, from 1 April to 31 July;

(c) beef and veal, throughout the ~~**marketing**~~ year;

(d) butter and skimmed milk powder, from 1 March to 3***0*** ~~**1**~~ ***September*** ~~**August**~~.

Article 12

Opening and closing of public intervention

1. During the periods referred to in Article 11, public intervention:

   (a) shall be open for common wheat, butter and skimmed milk powder;

   (b) may be opened by the Commission, by means of implementing acts, for ***durum wheat,*** barley, maize, and paddy rice (including specific varieties or types of paddy rice), if the market situation so requires. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2);

   (c) may be opened for the beef and veal sector by the Commission, by means of other implementing acts ***adopted without the application of Article 162(2) or (3)***, if the average market price over a representative period ~~**adopted**~~ ***determined*** pursuant to Article 19(a) in a Member State or in a region of a Member State**,** recorded on the basis of the Union scale for the classification of carcasses ***of bovine animals referred to in point A of Annex IIIa,*** ~~**as adopted pursuant to in Article 18(8)**~~ is below ~~**EUR 1 560/tonne**~~ ***85% of the reference threshold laid down in point (d) of Article 7(1)***.

2. The Commission may, by means of implementing acts ***adopted without the application of Article 162(2) or (3)***, close public intervention for the beef and veal sector, where, over a representative period ~~**adopted**~~ ***determined*** pursuant to ***point (a) of the first paragraph of*** Article 19~~**(a)**~~, the conditions provided for in point (c) of paragraph 1 ***of this Article*** are no longer fulfilled.

Article 13

Buying-in at a fixed price or tendering

1. Where public intervention is open pursuant to ~~**point (a) of**~~ Article 12(1), ***measures on fixing buying-in prices for common wheat, butter, skimmed milk powder, durum wheat, barley, maize, paddy rice, beef and veal as well as, where applicable, measures on quantitative limitations where*** buying-in ~~**shall be**~~ ***is*** carried out at a fixed price ***shall be taken by the Council in accordance with Article 43(3) of the Treaty.*** ~~**within the following limits for each period referred to in Article 11:**~~

~~**(a) for common wheat, 3 million tonnes;**~~

~~**(b) for butter, 30 000 tonnes;**~~[1]

~~**(c) for skimmed milk powder, 109 000 tonnes.**~~

~~**2. Where public intervention is open pursuant to Article 12(1), buying-in shall be carried out by way of a tendering procedure to determine the maximum buying-in price:**~~

~~**(a) for common wheat, butter and skimmed milk powder beyond the limits referred to in paragraph 1,**~~

~~**(b) for barley, maize, paddy rice and beef and veal.**~~

~~**In special and duly justified circumstances, the Commission may, by means of implementing acts, restrict tendering procedures to a Member State or region of a Member State, or, subject to Article 14(2), determine the buying-in prices for public intervention per Member State or region of a Member State on the basis of recorded average market prices. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).**~~

[1] ***<u>Note to delegations</u>: "50 000 tonnes", to be covered by Council "fixing" Regulation under Article 43(3) TFEU.***

Article 14

Public intervention prices

1. Public intervention price ~~**shall**~~ mean***s***:
   (a) the price at which products shall be ***bought in*** ~~**bought-in**~~ under public intervention where this is done at a fixed price, or
   (b) the maximum price at which products eligible for public intervention may be ***bought in*** ~~**bought-in**~~ where this is done by tendering.

2. The ***measures on fixing the*** level of the public intervention price***, including the amounts of increases and reductions, shall be taken by the Council in accordance with Article 43(3) of the Treaty.***~~**:**~~
   ~~**(a) for common wheat, barley, maize, paddy rice and skimmed milk powder shall be equal to the respective reference prices fixed in Article 7 in the case of buying-in at a fixed price and shall not exceed the respective reference prices in the case of buying-in by tendering;**~~
   ~~**(b) for butter shall be equal to 90 % of the reference price fixed in Article 7 in the case of buying-in at a fixed price and shall not exceed 90 % of the reference price in the case of buying-in by tendering;**~~
   ~~**(c) for beef and veal, shall not exceed the price referred to in point (c) of Article 12(1).**~~

~~**3. The public intervention prices referred to in paragraphs 1 and 2 shall be without prejudice to price increases or reductions for quality reasons for common wheat, barley, maize and paddy rice. Moreover, taking into account the need to ensure that production is orientated towards certain varieties of paddy rice, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 to fix increases and reductions of the public intervention price.**~~

Article 15

General principles on disposal from public intervention

1. Disposal of products bought in under public intervention shall take place in such a way as to:

(a) avoid any disturbance of the market,

(b) ensure equal access to goods and equal treatment of purchasers and

(c) be in compliance with the commitments resulting from ***international*** agreements concluded in accordance with ~~**Article 218 of**~~ the Treaty.

2. Products ***bought in under public intervention*** may be disposed of by making them available for the scheme for food distribution to the most deprived in the Union set out in Regulation (EU) No […] ~~**if that scheme so provides**~~. In that case, the accounting value of such products shall be at the level of the relevant fixed public intervention price referred to in Article 14(2) ***of this Regulation***.

2a. Each year the Commission shall publish details of the conditions under which product bought in under public intervention were sold the previous year.

SECTION 3

AID FOR PRIVATE STORAGE

Article 16

***Eligible p*~~P~~roducts ~~eligible~~**

Aid for private storage may be granted in respect of the following products ~~subject to~~ ***in accordance with*** the conditions set out in this Section and ~~to~~ ***any further*** requirements and conditions to be adopted by the Commission, by means of delegated ***acts pursuant to Articles 17 and 18*** and~~/or~~ implementing acts~~,~~ pursuant to Article***s*** 17 ~~to~~ ***and*** 19:

(a) white sugar;

(b) olive oil;

(c) flax fibre;

(d) fresh or chilled meat of ~~adult~~bovine animals ***aged 8 months or more***;

(e) butter produced from cream obtained directly and exclusively from cow's milk;

(ea) cheese;

(f) skimmed milk powder made from cow's milk;

(g) pigmeat;

(h) sheepmeat and goatmeat.

Point (ea) is restricted to cheese benefiting from a protected designation of origin or from a protected geographical indication under Regulation (EU) No 1151/2012 of the European Parliament and of the Council[1] that is stored beyond the period of maturation laid down in the product specification for the product referred to in Article 7 of that ~~*the aforementioned*~~ ***Regulation and/or a period of maturation that contributes to increase the value of the cheese.***

[1] ***Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs (OJ L 343, 14.12.2012, p. 1).***

Article 17

Conditions for granting aid

1. ***In order to provide for market transparency, where necessary, t*~~T~~he Commission shall be empowered to adopt delegated acts in accordance with Article 160~~, where necessary in order to provide for market transparency to lay~~ **laying** down the conditions under which it may decide to grant private storage aid for the products listed in Article 16, taking into account***:***

   (a) average recorded Union market prices and the reference ***thresholds*** ~~**prices**~~ ***and production costs*** for the products concerned***; and/***~~**or**~~

   (b) the need to respond ***in a timely way*** to a particularly difficult market situation or economic developments ***having a significant negative impact on the margins in the sector***.

2. The Commission may, by means of implementing acts, decide to grant private storage aid for the products listed in Article 16, taking into account the conditions referred to in paragraph 1 of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

3. ***Measures on fixing the amount of aid for private storage provided for in Article 16 shall be taken by the Council in accordance with Article 43(3) of the Treaty***.
   ~~**The Commission shall, by means of implementing acts fix the aid for private storage provided for in Article 16 in advance or by means of tendering procedures. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).**~~

4. The Commission may, by means of implementing acts, restrict the granting of private storage aid ~~**or fix the private storage aid per Member State or region of a Member State on the basis of recorded average market prices**~~. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

SECTION 4

COMMON PROVISIONS ON PUBLIC INTERVENTION AND AID FOR PRIVATE STORAGE

Article 18

Delegated powers

~~**1. The Commission shall be empowered to adopt delegated acts in accordance with Article 160 to provide for measures listed in paragraphs 2 to 9 of this Article.**~~

2**.** ~~**Taking**~~ ***In order to ensure that products bought in under public intervention or subject to aid for private storage are suitable for long-term storage and of fair, sound and marketable quality and to take*** into account the specificities of the different sectors ***for the purposes of ensuring the cost-effective operation of public intervention and private storage***, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160*** ~~**may, by means of delegated acts, adopt**~~ ***laying down*** the requirements and conditions to be met by ***those*** products ~~**bought-in under public intervention and stored under the system of granting an aid for private storage**~~, in addition to the requirements laid down in this Regulation. Those requirements and conditions shall aim ~~**at**~~ ***to*** guarantee~~**ing**~~***, for the products bought in and stored*****:**

(a) the***ir*** ~~**eligibility and**~~ quality ~~**of the products bought-in and stored,**~~ with respect to ***quality parameters*****,** quality groups, quality grades, categories~~**,**~~ ***product characteristics and age*****;**

(b) ***their eligibility, with respect to*** quantities, packaging ***including***~~**,**~~ labelling, ~~**maximum ages,**~~ preservation, ***previous storage contracts***, ***approval of undertakings and*** the stage of the products to which the public intervention price and the aid for private storage applies.

3. ***In order to take***~~**Taking into**~~ account ***of*** the specificities of the cereals and paddy rice sectors, the Commission ~~**may, by means of**~~ ***shall be empowered to adopt*** delegated acts ***in accordance with Article 160 laying down the quality criteria*** ~~**adopt the price increases or reductions for quality reasons referred to in Article 14(3)**~~ as regards both buying-in and sales of common wheat, ***durum wheat,*** barley, maize and paddy rice.

~~**4. Taking into account the specificities of the beef and veal sector, the Commission may, by means of delegated acts, adopt rules concerning the obligation for the paying agencies to have all the beef boned after the take-over and prior to the placing into storage.**~~

5. ~~**Taking into account the diversity of situations relating to the storage of intervention stocks in the Union and ensuring adequate access to public intervention for operators, the Commission shall, by means of delegated acts, adopt:**~~ ***In order to ensure appropriate storage capacity and the efficiency of the public intervention system in terms of cost effectiveness, distribution and access for operators, and to maintain the quality of products bought in under public intervention for their disposal at the end of the storage period, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 laying down:***

   (a) the requirements to be met by ~~**intervention storage places for the products to be bought-in under the system, rules on minimum storage capacity for the**~~ storage places ~~**and technical requirements**~~ for ***all*** ~~**keeping**~~ products ~~**taken-over in good condition and for their disposal at the end of the storage period**~~ ***subject to public intervention***;

   ~~**(b) rules on sale of small quantities remaining in storage in the Member States, to be carried out under their responsibility, by applying the same procedures as those applied by the Union; and rules for direct sale of quantities which may no longer be repackaged or are deteriorated;**~~

   (c) rules on storage of products inside and outside the Member State responsible for them and for treatment of such products as regards customs duties and any other amounts to be granted or levied under the CAP~~**;.**~~

6. ~~**Taking into account the need**~~ ***In order*** to ensure that aid for private storage has the desired effect on the market, the Commission~~**, by means of delegated acts**~~ ***shall be empowered to adopt delegated acts in accordance with Article 160 laying down***:

   (a) ~~**shall adopt**~~ ***rules and conditions applicable where*** ~~**measures for reducing the amount of aid to be paid where**~~ the quantity stored is lower than the contracted quantity;

   (b) ~~**may lay down**~~ ***the*** conditions for granting of an advance payment of such aid***;***

(c) the conditions according to which it may be decided that products covered by private storage contracts may be re-marketed or disposed of.

7. ~~**Taking into account**~~ ***In order to ensure the proper functioning of*** the ~~**rights and obligations of operators participating in**~~ public intervention ***and*** ~~**or**~~ private storage ***systems***, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160***~~**may, by means of delegated acts, adopt rules on**~~:

(a) ***providing for*** the use of tendering procedures guaranteeing equal access to goods and equal treatment of operators;

(b) ~~**eligibility of operators**~~ ***laying down the additional conditions to be fulfilled by operators in order to facilitate the effective management and control of the system for Member States and operators***;

(c) ***laying down*** the obligation to lodge a security guaranteeing the execution of operators' obligations.

8. ~~**Taking into account the need to standardise the presentation of the different products for the purposes of improving market transparency, price recording and the application of the market intervention arrangements in the form of public intervention and aid for private storage, the Commission may, by means of delegated acts, adopt Union scales for the classification of carcasses in the following sectors:**~~

~~**(a) beef and veal;**~~

~~**(b) pigmeat;**~~

~~**(c) sheepmeat and goatmeat.**~~

In order to take account of technical developments and of the needs of sectors referred to in Article 9a, as well as the need to standardise the presentation of the different products for the purposes of improving market transparency, price recording and the application of the market intervention measures, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 adapting and updating the provisions of Annex IIIa on the Union scales for the classification, identification and presentation of carcasses and:

(a) laying down supplementary provisions relating to classification (including by qualified classifiers), grading (including by automated grading techniques), identification, weighing and marking of carcasses and on the calculation of average Union prices and the weighting coefficients used in the calculation of those prices;

(b) laying down derogations from provisions and specific derogations which may be granted by Member States to slaughterhouses in which few bovine animals are slaughtered, and additional provisions for the products concerned, including such regarding the classes of conformation and fat cover in the beef and veal sector and further provisions as regards weight, colour of meat and fat cover and the criteria for the classification of light lambs in sheep-meat sector;

(c) providing Member States the authorisation not to make application of the grading scale for pig carcase classification and to use assessment criteria in addition to weight and estimated lean-meat content or laying down derogations from that scale.

~~**9. Taking into account the need to ensure the accuracy and reliability of the classification of carcasses, the Commission may, by means of delegated acts, provide for the review of the application of classification of carcasses in Member States by a Union committee composed of experts from the Commission and experts appointed by the Member States. Those provisions may provide for the Union to bear the costs resulting from the review activity.**~~

Article 19

Implementing powers in accordance with the examination procedure

The Commission shall, by means of implementing acts, adopt ~~**necessary**~~ ***the*** measures ~~**aiming at reaching a**~~ ***necessary for the*** uniform application of this Chapter ~~**throughout the Union**~~. ~~**Those rules**~~ ***which*** may, in particular, concern the following:

(aa) the costs payable by the operator where products delivered for public intervention do not meet the minimum quality requirements;

(ab) the fixing of minimum storage capacity for intervention storage places;

(a) the representative periods, markets**,** and market prices necessary for the application of this Chapter;

(b) ~~**the procedures and conditions for**~~ the delivery of the products to be ***bought in*** ~~**bought-in**~~ under public intervention, the transport costs to be borne by the offerer, the taking over of the products by paying agencies and the payment;

(c) the different operations connected with the boning process for the beef and veal sector;

(ca) the practical modalities for packaging, marketing and labelling of products;

(cb) the procedures for the approval of undertakings producing butter and skimmed milk powder for the purposes of this Chapter;

(d) any authorisation of storage outside the territory of the Member State where the products have been ***bought in*** ~~**bought-in**~~ and stored;

(e) ~~**the conditions for**~~ the sale or disposal of products ***bought in*** ~~**bought-in**~~ under public intervention, in particular, regarding selling prices, the conditions for removal from storage, the subsequent use or destination of products released, including procedures relating to products made available for use in the scheme ***referred to in the second paragraph of Article 15***~~**for food distribution to the most deprived in the Union**~~, including transfers between Member States;

(ea) in respect of products bought in under public intervention, the provisions relating to sale of small quantities remaining in storage or quantities which may no longer be repackaged or are deteriorated in the Member States, to be carried out under their own responsibility;

(f) ***in respect of private storage,*** the conclusion and the content of contracts between the competent authority of the Member State and the applicants;

(g) the placing and keeping ***of products*** in private storage and ***their*** removal from storage;

(h) the duration of the private storage period and the ~~**conditions**~~ ***provisions*** according to which such periods, once specified in the contracts, may be curtailed or extended;

~~**(i) the conditions according to which it may be decided that products covered by private storage contracts may be re-marketed or disposed of;**~~

(j) ~~**the rules relating to**~~ the procedures to be followed for buying-in at a fixed price***, including the procedures for and amount of the security to be lodged*** or for ***the*** granting ~~**the**~~ ***of*** aid ***fixed in advance*** for private storage ~~**at a fixed price**~~;

(k) the use of tendering procedures, both for public intervention and for private storage, in particular concerning:

(i) the submission of offers or tenders, and the minimum quantity for an application or submission***; ~~and~~***

(ia) procedures for and the amount of the security to be lodged; and

(ii) selection of offers ensuring that preference is given to those which are most favourable to the Union whilst permitting that the award of a contract ***~~shall~~ does*** not necessarily ensue.

(l) the implementation of Union scales for the classification of beef, pig and sheep carcasses;

(m) a different presentation of carcasses and half carcasses than the one laid down in point A.IV of Annex IIIa for the purpose of establishing market prices;

(n) the corrective factors to be applied by Member States to be used for a different presentation of beef and sheep carcasses in case of the reference presentation is not used;

(o) the practical modalities for marking of classified carcasses and for the calculation by the Commission of the weighted average Union price for beef, pig and sheep carcasses;

(p) the authorisation of Member States to provide, with regard to pigs slaughtered in their territory, for a different presentation of pig carcasses than the one laid down in point B.III of Annex IIIa, if one of the following conditions is fulfulled:

(i) normal commercial practice in their territory differs from the standard presentation defined in the first subparagraph of point B III of Annex IIIa;

(ii) technical requirements warrant it;

(iii) carcasses are dehided in a uniform manner.

(q) the provisions for the on the spot review of the application of classification of carcasses in Member States by a Union committee composed of experts from the Commission and experts appointed by the Member States in order to ensure the accuracy and reliability of the classification of carcasses. Those provisions shall provide for the Union to bear the costs resulting from the review activity.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 20

Other implementing powers

The Commission shall adopt***, without applying the procedure referred to in Article 162(2) or (3),*** implementing acts necessary in order to ***authorise Member States to use for lambs of less than 13 kg carcass weight, by way of derogation from point C.III.1 of Annex IIIa, the following criteria for classification:***

(i) carcass weight;

(ii) colour of meat;

(iii) fat cover.~~**:**~~

~~**(a) respect the intervention limits set out in Article 13(1); and**~~

~~**(b) apply the tendering procedure referred to in Article 13(2) for common wheat, butter and skimmed milk powder beyond the quantities set out in Article 13(1).**~~

CHAPTER II

AID SCHEMES

SECTION 1

SCHEMES TO IMPROVE ACCESS TO FOOD

Article 20a

Target group

Aid schemes intended to improve the distribution of agricultural products and improving children's eating habits are aimed at children who regularly attend nurseries, /pre-schools or, primary or secondary-level educational establishments which are administered or recognised by the competent authorities of Member States.

SUBSECTION 1

SCHOOL FRUIT SCHEME**S**

Article 21

Aid for the supply of fruit and vegetable*s*, processed fruit and vegetable*s* and banana products to children

1. ~~**Under conditions to be determined by the Commission by means of delegated and implementing acts pursuant to Articles 22 and 23,**~~ Union aid shall be granted for:
   (a) the supply to children in ***the*** educational establishments~~**, including nurseries, other pre-school establishments, primary and secondary schools,**~~ ***referred to in Article 20a*** of products of the fruit and vegetables, processed fruit and vegetables, and bananas sectors; and
   (b) certain related costs linked to logistics and distribution, equipment, publicity, monitoring, evaluation and accompanying measures.

2. Member States wishing to participate in the scheme shall draw up, at national or regional level, a prior strategy for ~~the~~ ***its*** implementation ~~**of the scheme**~~. They shall also provide for the accompanying measures***, which may include information on measures for education about healthy eating habits, about local food chains and about combating food wastage, that are*** necessary to make the scheme effective.

3. When drawing up their strategies, Member States shall draw up a list of products of the fruit and vegetables, processed fruit and vegetables, and bananas sectors that will be eligible under their respective schemes. This list~~**, however,**~~ shall not include products ***that are listed in Annex IIIb*** ~~**excluded by the measures adopted by the Commission by means of delegated acts pursuant to point (a) of Article 22(2).**~~ ***However, in duly justified cases, such as where a Member State wants to ensure a broad assortment of products under its scheme or wants to make its scheme more attractive, its strategy may provide that such products may become eligible if only limited amounts of the substances referred to in that Annex are added. Member States shall ensure that their competent health authorities endorse the list of such products that are eligible under their scheme.*** Member States shall choose their products on the basis of objective criteria which may include ~~**seasonality, availability of produce or**~~ ***the health and*** environmental ~~**concerns.**~~ ***considerations, seasonality, variety, or availability of produce, giving priority to the extent practicable to*** ~~**In this connection, Member States may give preference to**~~ products originating in the Union***, particularly to local purchasing, local markets, short supply chains or environmental benefits***.

4. ~~**The**~~ ***Measures on fixing the*** Union aid referred to in paragraph 1 shall ~~**neither:**~~ ***be taken by the Council in accordance with Article 43(3) of the Treaty.***

~~**(a) exceed EUR 150 million per school year; nor**~~

~~**(b) exceed 75 % of the costs of supply and related costs referred to in paragraph 1, or 90 % of such costs in less developed regions and in the outermost regions referred to in Article 349 of the Treaty; nor**~~

4a. The Union aid referred to in paragraph 1 shall be allocated to each Member State on the basis of objective criteria based on their proportion of six- to ten-year old children.

Member States participating in the scheme shall apply every year for Union aid on the basis of their strategy.

Measures on fixing the minimum amount of Union aid for each Member State participating in the scheme and on the indicative and definitive allocations of aid to Member States shall be taken by the Council in accordance with Article 43(3) of the Treaty.

5. Union aid provided for in paragraph 1 shall not be used to replace funding for any existing national school fruit schemes ***providing fruit and vegetables, processed fruit and vegetables, and bananas*** or other school distribution schemes that include ~~**fruit**~~ ***such products***. However, if a Member State already has a scheme in place that would be eligible for Union aid under this Article and intends to extend it or make it more effective, including as regards the target group of the scheme, its duration or eligible products, Union aid may be granted provided that the limits ***set out in accordance with Article 43(3) of the Treaty*** ~~**of point (b) of paragraph 4**~~ are abided by as regards the proportion of Union aid to the total national contribution. In this case, the Member State shall indicate in its implementation strategy how it intends to extend its scheme or make it more effective.

6~~**7**~~. Member States may, in addition to Union aid, grant national aid in accordance with Article 152.

7~~**8**~~. The Union School Fruit ***and Vegetables*** Scheme shall be without prejudice to any separate national school fruit ***and vegetables*** schemes which are compatible with Union law.

8~~**9**~~. The Union may also finance, under Article 6 of Regulation (EU) No […]***[Horizontal CAP Regulation]*** ~~**on the financing, management and monitoring of the common agricultural policy**~~, information, monitoring and evaluation measures relating to the School Fruit ***and Vegetables*** Scheme, including raising public awareness of it, and related networking measures.

8a. Member States participating in the scheme shall publicise, at the places where the food is distributed, their involvement in the aid scheme and the fact that it is subsidised by the Union.

Article 22

Delegated powers

~~**1. The Commission shall be empowered to adopt delegated acts in accordance with Article 160 to provide for measures listed in paragraphs 2 to 4 of this Article.**~~

2. ~~**Taking into account the need**~~ ***In order*** to promote the healthy eating habits of children ***and to ensure that the aid is aimed at children in the target group referred to in Article 20a***, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160***~~**may, by means of delegated acts, adopt**~~ ***concerning*** rules on:

~~**(a) the products that are ineligible for the scheme, taking into account nutritional aspects;**~~

(aa) the additional criteria related to the targeting of aid by Member States;

~~**(b) the target group of the scheme**~~;

~~**(c) the national or regional strategies that Member States must draw up in order to benefit from the aid, including the accompanying measures;**~~

(d) the approval and selection of aid applicants ***by Member States;***

(da) the drawing-up of the national or regional strategies and on accompanying measures.

3. ~~**Taking into account the need**~~ ***In order*** to ensure the efficient and targeted use of European ***f***~~**F**~~unds, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160***~~**may by means of delegated acts, adopt rules on**~~ ***concerning***:

(a) ~~**objective criteria for the allocation of aid between Member States, the indicative allocation of aid between Member States and**~~ the method for reallocating ***the indicative allocation of*** aid ***referred to in Article 21(4a)*** between Member States ~~**based**~~ on ***the basis of requests for aid*** ~~**applications**~~ received;

(b) the costs ***in Member States' strategies that are*** eligible for ***Union*** aid ***and*~~, including~~ the possibility of fixing an overall ceiling for ***specific*** ~~such~~ costs;

(ba) the obligation for Member States to monitor and evaluate the effectiveness of their school fruit and vegetables schemes.

~~(c) monitoring and evaluation~~.

4. ~~Taking into account the need~~ ***In order*** to promote awareness of the scheme the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160*** ~~may, by means of delegated acts,~~ requir***ing*** ~~participating~~ Member States ***with a school fruit and vegetables scheme*** to publicise the subsidising role of the ***Union aid*** ~~scheme~~.

Article 23

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts, adopt ~~all necessary~~ ***the*** measures ~~related to~~ ***necessary for the application of*** this Subsection ***including*~~as regards, in particular~~:

~~(a) the definitive allocation of aid between participating Member States within the appropriations available in the budget;~~

(aa) the information to be contained in Member States' strategies;

(b) the aid applications and payments;

(c) the methods of publicising, and networking measures in respect of, the scheme***;***

(d) the submission, format and content of monitoring and evaluation reports by Member States participating in the Union school fruit and vegetables scheme.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

SUBSECTION 2

SCHOOL MILK SCHEME

Article 24

Aid for the ~~S~~**supply of milk** ***and milk*** **products to children**

1. Union aid shall be granted for supplying to children in educational establishments ***referred to in Article 20a*** certain ***milk and processed milk*** products ***falling within CN codes 0401, 0403, 0404 90 and 0406 or CN code 2202 90*** ~~**of the milk and milk products sector**~~.

2. Member States, at national or regional level, wishing to participate in the scheme shall draw up a prior strategy for its implementation. ***They may also provide for the accompanying measures, which may include information on measures for education about healthy eating habits, about local food chains and about combating food wastage, that are necessary to make the programme effective.***

2a. When drawing up their strategies, Member States shall draw up a list of milk and milk products that will be eligible under their respective schemes, in accordance with the rules adopted by the Commission pursuant to Article 25.

2b. Except for free distribution of meals to children in educational establishments, Union aid referred to in paragraph 1 shall not be used to replace funding for any existing national milk and milk products schemes or other school distribution schemes that include milk or milk products. However, if a Member State already has a scheme in place that would be eligible for Union aid under this Article and intends to extend it or make it more effective, including as regards the target group of the scheme, its duration or eligible products, Union aid may be granted. In this case, the Member State shall indicate in its implementation strategy how it intends to extend its scheme or make it more effective.

3. Member States may, in addition to Union aid, grant national aid in accordance with Article 152.

3a. The Union school milk and milk products scheme shall be without prejudice to any separate national school schemes to encourage the consumption of milk and milk products that are compatible with Union law.

4. Measures on fixing the Union aid for all milk ***and the maximum quantity eligible for Union aid provided for in paragraph 1*** shall be taken by the Council in accordance with Article 43(3) of the Treaty**.**

~~**5. The Union aid provided for in paragraph 1 shall be granted on a maximum quantity of 0,25 litre of milk equivalent per child and per school day.**~~

5a. Member States participating in the scheme shall publicise, at the places where the food is distributed, their involvement in the aid scheme and the fact that it is subsidised by the Union.

Article 25

Delegated powers

~~**1. The Commission shall be empowered to adopt delegated acts in accordance with Article 160 to provide for measures listed in paragraphs 2 to 4 of this Article.**~~

2. ~~**Taking**~~ ***In order to take*** into account ~~**of**~~ the evolution in ~~**the**~~ dairy products consumption patterns~~ **and**~~, ~~**of**~~ the innovations and developments on the dairy products market, ***the availability of products on the different markets of the Union,*** and ~~**taking into account**~~ nutritional aspects, the Commission shall ***be empowered to adopt delegated acts in accordance with Article 160~~**, by means of delegated acts,**~~ determin***ing***~~**e**~~

(a) the products that are eligible for the scheme***, in accordance with the provisions laid down in Article 24(1) and taking into account nutritional aspects;***

(b) ~~**and adopt rules on**~~ the national or regional strategies that Member States must draw up in order to benefit from the aid ~~**and the target group for the scheme**~~ ***including accompanying measures where applicable;***

(c) monitoring and evaluation.

3. ~~**Taking into account the need**~~ ***In order*** to ensure ***the efficient and effective use of the Union aid*** ~~**that the appropriate beneficiaries and applicants qualify for the aid**~~, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160 concerning*** ~~**shall, by means of delegated acts, adopt**~~**:**

(a) rules on the ***beneficiaries and applicants eligible for the*** ~~**conditions for granting**~~ aid***;***

(b) the requirement for the applicants to be approved by the Member States;

(c) the use of dairy products in the preparation of meals in educational establishments.

3a. ~~**Taking into account the need**~~ ***In order*** to ensure that ***aid*** applicants respect their obligations, the Commission shall ***be empowered to adopt***~~**, by means of**~~ delegated acts ***in accordance with Article 160***~~**, adopt**~~ ***concerning*** measures on the lodging of a security ~~**guaranteeing the execution**~~ where an advance of aid is paid***.***

4. ~~**Taking into account the need**~~ ***In order*** to promote awareness of the aid scheme, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160*** ~~**may,**~~ ***specifying the conditions in accordance with which Member States are to publicise*** ~~**by means of delegated acts, require educational establishments to communicate the subsidising role of the scheme**~~ ***their participation in the aid scheme and the fact that it is subsidised by the Union***.

5. Taking into account the need to ensure the aid is reflected in the price at which the products are available under the scheme, the Commission may, by means of delegated acts, adopt rules on the establishment of price monitoring under the scheme.

Article 26

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts, adopt ~~**all necessary**~~ ***the*** measures ***necessary*** ~~**as regards**~~ ***for the application of this Subsection including***~~**, in particular**~~:

(a) procedures to ensure the respect of the maximum quantity eligible for the aid;

(aa) the procedures for and the amount of the security to be lodged where an advance payment is made;

(b) ***the information to be supplied to Member States for*** approval ~~**of applicants**~~, aid applications and payments;

(c) the methods of publicising the scheme***;***

(d) the management of price monitoring pursuant to Article 25(5).

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

SECTION 2

AID IN THE OLIVE OIL AND TABLE OLIVES SECTOR

Article 27

~~Aid to operator organisations~~ ***Programmes to support the olive oil and table olives sector***

1. The Union shall finance three-year work programmes to be drawn up by **~~the~~** ***producer organisations recognised under Article 106, associations of producer organisations recognised under Article 107 or the interbranch organisations recognised under Article 108*** **~~operator organisations as defined in Article 109~~** in one or more of the following areas:

   (-a) market follow-up and management in the olive oil and table olives sector;

   (a) the improvement of the environmental impacts of olive cultivation;

   (aa) the improvement of the competitiveness of olive cultivation through modernisation;

   (b) the improvement of the production quality of olive oil and table olives;

   (c) the traceability system, the certification and protection of the quality of olive oil and table olives, in particular the monitoring of the quality of olive oils sold to final consumers, under the authority of the national administrations~~.~~***;***

   (ca) the dissemination of information on measures carried out by producer organisations, associations of producer organisations or interbranch organisations to improve the quality of olive oil and table olives.

2. The Union financing of the work programmes referred to in paragraph 1 shall be:

   (a) EUR 11 098 000 per year for Greece;

   (b) EUR 576 000 per year for France; and

   (c) EUR 35 991 000 per year for Italy.

3. The maximum Union funding for the work programmes referred to in paragraph 1 shall be equal to the amounts withheld by the Member States. The maximum funding of the eligible cost shall be:

(a) 75 % for activities in the areas referred to in point***s (-a),*** (a) ***and (aa)*** of paragraph 1;

(b) 75 % for fixed assets investments and 50 % for other activities in the area referred to in point (b) of paragraph 1;

(c) 75 % for the work programmes carried out in at least three third countries or non-producing Member States by ~~**approved operator**~~ ***recognised*** organisations ***referred to in paragraph 1*** from at least two producer Member States in the areas referred to in point***s*** (c) ***and (ca)*** of paragraph 1, and 50 % for the other activities in these areas.

Complementary financing shall be ensured by the Member State up to 50 % of the costs not covered by the Union funding.

Article 28

Delegated powers

~~1.~~ ~~**Taking into account the need**~~ ***In order*** to ensure ***the efficient and effective use of the Union*** ~~**that**~~ aid provided for in Article 27 ***to improve*** ~~**meets its objectives of improving**~~ the production quality of olive oil and table olives, the Commission shall be empowered to adopt delegated acts in accordance with Article 160, concerning:

~~**(a) conditions for the approval of operator organisations for the purposes of the aid scheme, and for the suspension or withdrawal of such approval;**~~

(b) ***in respect of the areas referred to in Article 27(1), the specific measures that can be financed by the*** ~~**measures eligible for**~~ Union ***aid*** ~~**financing**~~ ***and the activities and costs that cannot be financed***;

(c) ***the minimum*** allocation ***by Member States*** of Union financing to ***specific areas*** ~~**particular measures**~~;

(d) ***the requirement to lodge a security when an application for approval of a work programme is submitted and where an advance payment of aid is paid*** ~~**activities and costs that are not eligible for Union financing**~~;

(e) ***the criteria to be taken account of by Member States in the*** selection and approval of work programmes.

~~**2. Taking into account the need to ensure that operators respect their obligations, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 to require the lodging of a security where an advance payment of aid is made.**~~

Article 29

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts, adopt ***the*** measures ***necessary for the application of this Section*** concerning:

(a) the implementation of work programmes and amendments to such programmes;

(b) the payment of aid, including advance payments of aid***;***

(c) the procedure for and the amount of the security to be lodged when an application for approval of a work programme is submitted and where an advance payment of aid is made.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

SECTION 3

AID IN THE FRUIT AND VEGETABLES SECTOR

Article 30

Operational funds

1. Producer organisations ***and/or their associations*** in the fruit and vegetables sector may set up an operational fund. The fund shall be financed by:
   (a) financial contributions ***from:***
      (i) ~~**of**~~ members ~~**or**~~ of the producer organisation ~~**itself**~~ ***and/or the producer organisation itself; or***
      (ii) ***associations of producer organisations through the members of these associations;***
   (b) Union financial assistance which may be granted to producer organisations, ***or to their associations where those associations present, manage and implement an operational programme or a partial operational programme,*** in accordance with the terms and conditions ~~**set out in delegated and implementing acts**~~ ***to be*** adopted by the Commission ***by means of delegated acts*** pursuant to Article~~**s**~~ 35 and ***implementing acts pursuant to Article*** 36**.**

2. Operational funds shall be used only to finance operational programmes that have been submitted to and approved by Member States.

Article 31

Operational programmes

1. Operational programmes in the fruit and vegetables sector shall have ***a minimum duration of three years and a maximum duration of five years. They shall have*** at least two of the objectives referred to in ***point (c) of*** Article 106***(1)*** ~~**(c)**~~ or ***two of*** the following objectives:
   (a) planning of production***, including production and consumption forecasting and follow-up***;
   (b) improvement of product quality***, whether in a fresh or processed form***;

(c) boosting products' commercial value;

(d) promotion of the products, whether in a fresh or processed form;

(e) environmental measures***, particularly those relating to water,*** and methods of production respecting the environment, including organic farming;

(f) crisis prevention and management.

Operational programmes shall be submitted to the Member States for their approval.

1a. Associations of producer organisations may also present an entire or partial operational programme composed of measures identified, but not carried out, by member organisations under their operational programmes. These operational programmes shall be subject to the same rules as other operational programmes and shall be considered at the same time as the operational programmes of member organisations.

To that end, the Member States shall ensure that:

(a) measures under operational programmes of an association of producer organisations are entirely financed by the contributions of that member organisations of the association and that this funding is collected from the operational funds of those member organisations;

(b) the measures and their corresponding financial share are identified in the operational programme of each member organisation;

(c) there is no double duplication of funding.

2. Crisis prevention and management referred to in point (f) of paragraph 1 shall be related to avoiding and dealing with crises on the fruit and vegetable markets and shall cover in this context:

(a) ~~**market withdrawal;**~~

(b) ~~**green harvesting or non-harvesting of fruit and vegetables**~~ ***investments making the management of the volumes placed on the market more efficient***;

(c) ~~**promotion and communication**~~ ***training measures and exchanges of best practice***;

(d) ~~**training measures**~~ ***promotion and communication, whether for prevention or during the crisis period***;

(e) ~~**harvest insurance**~~ ***support for the administrative costs of setting up mutual funds***;

(f) ~~**support for the administrative costs of setting up mutual funds**~~ ***replanting of orchards where that is necessary following mandatory grubbing-up for health/ or phytosanitary reasons on the instruction of the Member State competent authority;***

(g) market withdrawal;

(h) green harvesting or non-harvesting of fruit and vegetables;

(i) harvest insurance.

Support for harvest insurance shall contribute to safeguarding producers' incomes where there are losses as a consequence of natural disasters, adverse climatic events, diseases or pest infestations.

Insurance contracts shall require that beneficiaries undertake the necessary risk prevention measures.

Crisis prevention and management measures, including any repayment of capital and interest as referred to in the third subparagraph, shall not comprise more than one-third of the expenditure under the operational programme.

Producer organisations may take out loans on commercial terms for financing crisis prevention and management measures. In that case, the repayment of the capital and interest on those loans may form part of the operational programme and so may be eligible for Union financial assistance under Article 32. Any specific action under crisis prevention and management ~~**shall**~~ ***may*** be financed ~~**either**~~ by such loans, ~~**or**~~ directly~~**, but not**~~ ***or by*** both ***means***.

2a. For the purposes of this Section:

(a) "green harvesting" means the total harvesting on a given area of unripe non-marketable products which have not been damaged prior to the green harvesting, whether due to climatic reasons or disease or otherwise;

(b) "non-harvesting" means the termination of the current production cycle from the area concerned where the product is well developed and is of sound, fair and marketable quality. Destruction of products due to a climatic event or disease is not considered as non-harvesting."

3. Member States shall ensure that:

(a) operational programmes include two or more environmental actions; or

(b) at least 10 % of the expenditure under operational programmes covers environmental actions.

Environmental actions shall respect the requirements for agri-environment payments laid down in Article 29(3) of Regulation (EU) No […] ***[EAFRD Regulation]*** ~~**on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)**~~.

Where at least 80 % of the producer members of a producer organisation are subject to one or more identical agri-environment commitments provided for in Article 29(3) of Regulation (EU) No […]~~**on support for rural development by the European Agricultural Fund for Rural Development (/**~~EAFRD ***Regulation]***~~**)**~~ then each one of those commitments shall count as an environmental action as referred to in point (a) of the first subparagraph.

Support for the environmental actions referred to in the first subparagraph shall cover additional costs and income foregone resulting from the action.

4. Member States shall ensure that investments which increase environmental pressure shall only be permitted in situations where effective safeguards to protect the environment from these pressures are in place.

Article 32

Union financial assistance

1. The Union financial assistance shall be equal to the amount of the financial contributions referred to in point (a) of Article 30(1) as actually paid and limited to 50 % of the actual expenditure incurred.

2. The Union financial assistance shall be limited to 4,1 % of the value of the marketed production of each producer organisation ***and/or of their association***.

   However, that percentage may be increased to 4,6 % of the value of the marketed production provided that the amount in excess of 4,1 % of the value of the marketed production is used solely for crisis prevention and management measures.

   In the case of associations of producer organisations, this percentage may be increased to 4,7 % of the value of the marketed production, provided that the amount in excess of 4,1 % of the value of the marketed production is used solely for crisis prevention and management measures implemented by the association of producer organisations on behalf of its members.

3. At the request of a producer organisation, the 50 % limit provided for in paragraph 1 shall be increased to 60 % for an operational programme or part of an operational programme where it meets at least one of the following conditions:
   (a) it is submitted by several Union producer organisations operating in different Member States on transnational schemes;
   (b) it is submitted by one or more producer organisations engaged in schemes operated on an interbranch basis;

(c) it covers solely specific support for the production of organic products covered by Council Regulation (EC) No 834/2007[1];

(d) it is the first to be submitted by a recognised producer organisation which has merged with another recognised producer organisation;

(e) it is the first to be submitted by a recognised association of producer organisations;

(f) it is submitted by producer organisations in Member States where producer organisations market less than 20 % of fruit and vegetables production;

(g) it is submitted by a producer organisation in one of the outermost regions referred to in Article 349 of the Treaty~~;~~**.**

~~(h) it covers solely specific support for actions to promote the consumption of fruit and vegetables targeted at children in educational establishments.~~

4. The 50 % limit provided for in paragraph 1 shall be increased to 100 % in the case of market withdrawals of fruit and vegetables which shall not exceed 5 % of the volume of marketed production of each producer organisation and which are disposed of by way of:

(a) free distribution to charitable organisations and foundations, approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence; ***or***

(b) free distribution to penal institutions, schools and ***the establishments referred to in Article 20a*** **~~public education institutions~~** and to children's holiday camps as well as to hospitals and old people's homes designated by the Member States, which shall take all necessary steps to ensure that the quantities thus distributed are additional to the quantities normally bought in by such establishments.

[1] ***Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91 (***OJ L 189, 20.7.2007, p. 1***)***.

Article 33

National financial assistance

1. In regions of Member States where the degree of organisation of producers in the fruit and vegetables sector is particularly low, the Commission may ~~**in accordance with the examination procedure referred to in Article 162(2)**~~, by means of implementing acts, authorise Member States, on their duly substantiated request, to pay producer organisations national financial assistance equal to a maximum of 80 % of the financial contributions referred to in point (a) of Article 30(1). This assistance shall be additional to the operational fund.

   Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

2. In regions of Member States where producer organisations, associations of producer organisations and the producer groups referred to in Article 28 of Regulation (EU) No […] ***[EAFRD Regulation]*** ~~**on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)**~~ market less than 15 % of the value of fruit and vegetable production and whose fruit and vegetable production represents at least 15 % of their total agricultural output, the national financial assistance referred to in paragraph 1 ***of this Article*** may be reimbursed by the Union at the request of the Member State concerned.

   The Commission shall, by means of implementing acts, decide on that reimbursement. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 34

National framework and national strategy for operational programmes

1. Member States shall establish a national framework for drawing up general conditions relating to the environmental actions referred to in Article 31(3). This framework shall provide in particular that such actions shall meet the appropriate requirements of Regulation (EU) No […]***[EAFRD Regulation],*** ~~**on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)**~~ in particular those ***set out in*** ~~**of its**~~ Article 6 ***thereof*** ~~**on consistency**~~.

   Member States shall submit their proposed framework to the Commission which, by means of implementing acts ***adopted without applying the procedure referred to in Article 162(2) or (3)***, may ***within three months*** require modifications ~~**within three months**~~ if it finds that the proposal would not contribute to the pursuit of the objectives set out in Article 191 of the Treaty and in the seventh Union environment action programme[1]. Investments on individual holdings supported by operational programmes shall also respect those objectives.

2. Each Member State shall establish a national strategy for sustainable operational programmes in the fruit and vegetable market. Such a strategy shall include:
   (a) an analysis of the situation in terms of strengths and weaknesses and the potential for development;
   (b) justification of the priorities chosen;
   (c) the objectives of operational programmes and instruments, and performance indicators;
   (d) assessment of operational programmes;
   (e) reporting obligations for producer organisations.

   The national strategy shall also integrate the national framework referred to in paragraph 1.

[1] ***Decision No ... of the European Parliament and of the Council of ... on a General Union Environment Action Programme to 2020 "Living well, within the limits of our planet" (OJ L ...).***

3. Paragraphs 1 and 2 shall not apply to Member States which have no recognised producer organisations.

Article 35

Delegated powers

~~**Taking into account the need**~~ ***In order*** to ensure an efficient, targeted and sustainable support of producer organisations ***and their associations*** in the fruit and vegetables sector, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 establishing rules on:

(a) operational funds and operational programmes, concerning:

(i) the estimated amounts, ***the decisions by producer organisations and their associations on the financial contributions and*** ~~**financing and**~~ use of operational funds;

~~**(ii) the content, duration, approval and modification of operational programmes;**~~

(iii) the ~~**eligibility of**~~ measures, actions***,*** ~~**or**~~ expenditure ***and administrative and personnel costs to be included or excluded*** under ~~**an**~~ operational programme***s, the modification thereof and the additional requirements to be determined by Member States*** ~~**and respective complementary national rules**~~;

(iv) the ***avoidance of double funding*** ~~**relationship**~~ between operational programmes and rural development programmes;

(v) operational programmes of associations of producer organisations;

(va) the specific rules applicable to cases in which associations of producer organisations manage, process, implement and present, wholly or in part, operational programmes;

(vi) the obligation to use common indicators for the purposes of monitoring and evaluation of operational programmes;

(b) ~~**the structure and content of a national framework and a national strategy;**~~ ***the national framework and national strategy for operational programmes concerning the obligation to monitor and evaluate the effectiveness of the national framework and the national strategies;***

(c) Union financial assistance, concerning:

(i) the basis for the calculation of Union financial assistance ***and***~~**, in particular**~~ the value of the marketed production of a producer organisation ***or their association referred to in Article 32(2)***;

(ii) applicable reference periods for the calculation of aid;

~~(iii) reductions of financial assistance entitlements in case of late submission of aid applications;~~

(iv) the provision of advance payments and the ***requirement to lodge a security where an*** ~~lodging and forfeiture of securities in case of~~ advance ***payment of aid is made*** ~~payments~~;

(iva) the specific rules applicable to the financing of operational programmes of associations of producer organisations, particularly those relating to the application of the limits provided for in Article 32(2);

(d) crisis prevention and management measures, concerning:

(i) the ***possibility for Member States not to apply one or more*** ~~selection of~~ crisis prevention and management measures;

~~(ii) the definition of market withdrawal;~~

(ii) conditions relating to points (b), (c) and (d) of Article 31(2);

(iii) ***permissible*** destinations ***to be decided by Member States*** for withdrawn products;

(iv) the maximum ***level of*** support for market withdrawals;

(v) ***the requirement for*** prior notifications in case of market withdrawals;

(vi) the ***basis of the*** calculation of the volume of marketed production ***for free distribution referred to in Article 32(4) and the determination of a maximum volume of marketed production*** in case of withdrawals;

(vii) the ***requirement to*** display ~~of~~ the European emblem on packages of products for free distribution;

(viii) the conditions~~, to be adopted by Member States, relating to~~ ***for*** the recipients of withdrawn products;

(ix) ~~the definitions of green harvesting and non-harvesting~~ ***the use of terms for the purposes of this Section;***

(x) the conditions***, to be adopted by Member States, relating to*** ~~for the application of~~ green harvesting and non-harvesting;

(xi) ~~the objectives of~~ harvest insurance;

~~(xii) the definition of adverse climatic event;~~

(xiii) ~~the conditions for support for the administrative cost of setting up~~ mutual funds~~;~~ ***and***

(xiv) on the conditions relating to, and the fixing of a ceiling for expenditure on, the replanting of orchards for health/ or phytosanitary reasons in accordance with point (f) of the first subparagraph of Article 31(2);

(e) national financial assistance, concerning :

(i) the degree of organisation of producers;

~~(ii) modifications of operational programmes;~~

~~(iii) reductions of financial assistance entitlements in case of late submission of financial assistance applications;~~

(iv) the ***requirement to lodge a security where an*** ~~lodging, releasing and forfeiture of securities in case of~~ advance payment~~s~~ ***is made***;

(v) the maximum proportion of ***U~~u~~nion*** reimbursement of the national financial assistance.

Article 36

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts, adopt measures concerning:

(a) the management of operational funds;

(aa) the information to be contained in operational programmes, national frameworks and national strategies referred to in Article 34, their submission to Member States, time limits, accompanying documents and approval by Member States;

(b) the ***implementation*** ~~format~~ of operational programmes ***by producer organisations and associations of producer organisations***;

(ba) the submission, format and content of monitoring and evaluation reports of national strategies and operational programmes;

(c) aid applications and payments of aid, including advance and partial payments of aid;

(d) ~~loans to finance crisis prevention and management measures;~~ ***the practical modalities for the display of the European emblem on packages of products for free distribution;***

(e) the respect for marketing standards in case of withdrawals;

(f) transport, sorting and packaging costs in case of free distribution;

(g) promotion, communication and training measures in case of crisis prevention and management;

(h) the ***implementation*** ~~**management**~~ of ***withdrawal operations, green harvesting, non-harvesting and*** harvest insurance measures;

~~**(i) provisions on state aids for crisis prevention and management measures;**~~

(j) the ***application*****,** authorisation***, payment and reimbursement of the*** ~~**to pay**~~ national financial assistance;

(ja) the procedures for, and the amount of the security to be lodged where an advance payment is made.

~~**(k) application for and payment of national financial assistance;**~~

~~**(l) reimbursement of national financial assistance.**~~

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

SECTION 4

SUPPORT PROGRAMMES IN THE WINE SECTOR

SUBSECTION 1

GENERAL PROVISIONS AND ELIGIBLE MEASURES

Article 37

Scope

This Section lays down the rules governing the attribution of Union funds to Member States and the use of those funds by Member States through five-year national support programmes ("support programmes") to finance specific support measures to assist the wine sector.

Article 38

Compatibility and consistency

1. Support programmes shall be compatible with Union law and consistent with the activities, policies and priorities of the Union.

2. Member States shall be responsible for support programmes and ensure that they are internally consistent and drawn up and implemented in an objective manner, taking into account the economic situation of the producers concerned and the need to avoid unjustified unequal treatment between producers.

3. No support shall be granted for:
   (a) research projects and measures to support research projects ~~**without prejudice to**~~ ***other than those referred to in points*** (d) and (e) of Article 43(3);
   (b) measures contained in Member States' rural development programmes under Regulation (EU) No […]***[EAFRD Regulation*****]** ~~**on support for rural development by the European Agricultural Fund for Rural Development (EAFRD).**~~

Article 39

Submission of support programmes

1. Each producer Member State listed in Annex IV shall submit to the Commission a draft five-year support programme containing at least one of the eligible measures provided in Article 40.

1a. The support measures in the support programmes shall be drawn up at the geographical level which the Member State deems most appropriate. The Member State shall consult the competent authorities and organisations at the appropriate territorial level on the support programme before submitting it to the Commission.

1b. Each Member State shall submit a single draft support programme, which may take into account regional particularities.

2. Support programmes shall become applicable three months after their submission to the Commission.

However, ~~**if**~~ the Commission ***may***, by means of an implementing act ***adopted without applying the procedure referred to in Article 162(2) or (3)***, establish~~**es**~~ that the submitted support programme does not comply with the rules laid down in this Section~~**, the Commission shall**~~ ***and*** inform the Member State thereof. In that case, the Member State shall submit a revised support programme to the Commission. The revised support programme shall become applicable two months after its submission unless an incompatibility persists in which case this subparagraph shall apply.

3. Paragraph 2 shall apply *mutatis mutandis* to changes in respect of support programmes submitted by Member States.

Article 39a

Content of support programmes

Support programmes shall include at least the following elements:

(a) a detailed description of the measures proposed as well as their quantified objectives;

(b) the results of consultations held;

(c) an appraisal showing the expected technical, economic, environmental and social impact;

(d) a schedule for implementing the measures;

(e) a general financing table showing the resources to be deployed and the envisaged indicative allocation of the resources between the measures in accordance with ceilings provided for in Annex IV;

(f) the criteria and quantitative indicators to be used for monitoring and evaluation as well as the steps taken to ensure that the support programmes are implemented appropriately and effectively; and

(g) the designation of competent authorities and bodies responsible for implementing the support programme.

Article 40

Eligible measures

Support programmes may contain only one or more of the following measures:

~~**(a) Single Payment Scheme support in accordance with Article 42;**~~

(b) promotion in accordance with Article 43;

(ba) innovation in the wine sector in accodance withArticle 43a;

(c) restructuring and conversion of vineyards in accordance with Article 44;

(d) green harvesting in accordance with Article 45;

(e) mutual funds in accordance with Article 46;

(f) harvest insurance in accordance with Article 47;

(g) investments in accordance with Article 48;

(h) by-product distillation in accordance with Article 49~~;~~**.**

Article 41

General rules concerning support programmes

1. The available Union funds shall be allocated within the budgetary limits provided in Annex IV.

2. Union support shall only be granted for eligible expenditure incurred after the submission of the relevant support programme.

3. Member States shall not contribute to the costs of measures financed by the Union under the support programmes.

SUBSECTION 2

SPECIFIC SUPPORT MEASURES

~~**Article 42**~~

~~**Single Payment Scheme and support to vine-growers**~~

~~**Support programmes may only include support to vine-growers in the form of allocation of payment entitlements decided by Member States by 1 December 2012 under Article 137 of Regulation (EU) No [COM(2010)799] and under the conditions set out in that Article.**~~

Article 43

Promotion ~~in third countries~~

1. Support under this Article shall cover information or promotion measures concerning Union wines***:***
   (a) in Member States, with the view to informing consumers about the responsible consumption of wine and about the Union systems covering designations of origin and geographical indications; or
   (b) in third countries, thereby ***with the view to*** improving their competitiveness~~ in those countries~~.

~~**2. The measures referred to in paragraph 1 shall apply to wines with a protected designation of origin or a protected geographical indication or wines with an indication of the wine grape variety.**~~

3. The measures referred to in paragraph 1***(b) shall apply to wines with a protected designation of origin or a protected geographical indication or wines with an indication of the wine grape variety and*** may consist only of:
   (a) public relations, promotion or advertisement measures, in particular highlighting the ~~advantages~~ ***high standards*** of the Union products, especially in terms of quality, food safety or ~~environmental friendliness~~ ***the environment***;

(b) participation at events, fairs or exhibitions of international importance;

(c) information campaigns, in particular on the Union systems covering designations of origin, geographical indications and organic production;

(d) studies of new markets, necessary for the expansion of market outlets;

(e) studies to evaluate the results of the information and promotion measures.

4. The Union contribution to promotion activities referred to in paragraph 1 shall not exceed 50 % of the eligible expenditure.

Article 43a

Innovation in the wine sector

Support may be granted for tangible or intangible investments aimed at the development of new products, processes and technologies concerning the products referred to in Part II of Annex VI. The support shall be intended to increase the marketability and competitiveness of Union grapevine products and may include an element of knowledge transfer.

Article 44

Restructuring and conversion of vineyards

1. The objective of measures relating to the restructuring and conversion of vineyards shall be to increase the competitiveness of wine producers.

2. The restructuring and conversion of vineyards shall be supported if Member States submit the inventory of their production potential in accordance with Article 102(3).

3. Support for the restructuring and conversion of vineyards***, which could also contribute to improving sustainable production systems and the environmental footprint of the wine sector,*** may only cover one or more of the following activities:

(a) varietal conversion, including by means of grafting-on;

(b) relocation of vineyards;

(ba) replanting of vineyards where that is necessary following mandatory grubbing-up for health or phytosanitary reasons on the instruction of the Member State competent authority;

(c) improvements to vineyard management techniques***, notably the introduction of advanced systems of sustainable production***.

The normal renewal of vineyards ~~**which**~~***, which means the replanting of the same parcel of land with the same variety according to the same system of vine cultivation, when vines*** have come to the end of their natural life***,*** shall not be supported.

Member States may lay down further specifications, especially as regards the age of the vineyards replaced.

4. Support for the restructuring and conversion of vineyards***, including improving vineyard management techniques,*** may only take the following forms:

(a) compensation to producers for the loss of revenue due to the implementation of the measure;

(b) contribution to the costs of restructuring and conversion.

5. Compensation to producers for the loss of revenue referred to in point (a) of paragraph 4 may cover up to 100 % of the relevant loss and take one of the following forms:

(a) notwithstanding Subsection II of Section ~~**V**~~***VIVa*** of Chapter III of Title I of Part II of Regulation ***(EC) No 1234/2007***~~**(EU) No [COM(2010)799]**~~ setting out the transitional planting right regime, the permission for old and new vines to coexist until the end of the transitional regime for a maximum period which shall not exceed three years;

(b) financial compensation.

6. The Union contribution to the actual costs of the restructuring and conversion of vineyards shall not exceed 50 %. In less developed regions***,*** the Union contribution to the costs of restructuring and conversion shall not exceed 75 %.

Article 45

Green harvesting

1. For the purposes of this Article, green harvesting shall mean the total destruction or removal of grape bunches while still in their immature stage, thereby reducing the yield of the relevant area to zero.

Leaving commercial grapes on the plants at the end of the normal production cycle (non-harvesting) shall not be considered to be green harvesting.

2. Support for green harvesting shall contribute to restoring the balance of supply and demand in the Union wine market in order to prevent market crises.

3. Support for green harvesting may be granted as compensation in the form of a flat rate payment per hectare to be determined by the Member State concerned. The payment shall not exceed 50 % of the sum of the direct costs of the destruction or removal of grape bunches and the loss of revenue related to such destruction or removal.

4. The Member States concerned shall establish a system based on objective criteria to ensure that the green harvesting measure does not lead to compensation of individual wine producers in excess of the ceiling ~~**referred to**~~ ***fixed*** in ~~**the second subparagraph of**~~ paragraph 3.

Article 46

Mutual funds

1. Support for the setting up of mutual funds shall provide assistance to producers seeking to insure themselves against market fluctuations.

2. Support for the setting up of mutual funds may be granted in the form of temporary and degressive aid to cover the administrative costs of the funds.

Article 47

Harvest insurance

1. Support for harvest insurance shall contribute to safeguarding producers' incomes where ~~these~~ ***there*** are ~~affected by~~ ***losses as a consequence of*** natural disasters, adverse climatic events, diseases or pest infestations.

   Insurance contracts shall require that beneficiaries undertake the necessary risk prevention measures.

2. Support for harvest insurance may be granted in the form of a Union financial contribution which shall not exceed:
   (a) 80 % of the cost of the insurance premiums paid for by producers for insurance against losses resulting from adverse climatic events which can be assimilated to natural disasters;
   (b) 50 % of the cost of the insurance premiums paid for by producers for insurance against:
      (i) losses referred to in point (a) and against other losses caused by adverse climatic events;
      (ii) losses caused by animals, plant diseases or pest infestations.

3. Support for harvest insurance may be granted if the insurance payments concerned do not compensate producers for more than 100 % of the income loss suffered, taking into account any compensation the producers may have obtained from other support schemes related to the insured risk.

4. Support for harvest insurance shall not distort competition in the insurance market.

Article 48

Investments

1. Support may be granted for tangible or intangible investments in processing facilities, winery infrastructure ***as well as*** ~~**and**~~ marketing ***structures and tools.*** ~~**of wine which**~~ ***Those investments shall be intended to*** improve the overall performance of the enterprise ***and its adaptation to market demands, as well as to increase its competitiveness,*** and ***shall*** concern ~~**one or more of the following:**~~

   ~~**(a)**~~ the production or marketing of grapevine products referred to in Part II of Annex VI***, including with the view to improving energy savings and global energy efficiency and sustainable processes***~~**;**~~

   ~~**(b) the development of new products, processes and technologies concerning the products referred to in Part II of Annex VI.**~~

2. Support under paragraph 1 at its maximum rate***:***

   (a) shall apply only to micro, small and medium-sized enterprises within the meaning of Commission Recommendation 2003/361/EC ~~**of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises[1].**~~

   (b) ~~**By way of derogation from the first subparagraph, the maximum rate**~~ may ***, in addition,*** apply to all enterprises for the outermost regions referred to in Article 349 of the Treaty and the smaller Aegean islands as defined in Article 1(2) of Regulation ***(EU) No 229/2013 of the European Parliament and of the Council*** ~~**(EC) No 1405/2006**~~[2].

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[1] ***Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (***OJ L 124, 20.5.2003, p. 36***)***.

[2] ***Regulation (EU) No 229/2013 of the European Parliament and of the Council of 13 March 2013 laying down specific measures for agriculture in favour of the smaller Aegean islands and repealing Council Regulation (EC) No 1405/2006 (OJ L 78, 20.3.2013, p. 41)***~~**OJ L 265, 265.9.2006, p. 1.**~~

For enterprises not covered by Article 2(1) of Title I of the Annex to Recommendation 2003/361/EC with ***fewer*** ~~**less**~~ than 750 employees or with a turnover of less than EUR 200 million, the maximum aid intensity shall be halved. Support shall not be granted to enterprises in difficulty within the meaning of the Community guidelines on State aid for rescuing and restructuring firms in difficulty[1].

3. The eligible expenditure shall exclude the non-eligible costs referred to in paragraph 3 of Article 59 of Regulation (EU) No [COM(2011)615].

4. The following maximum aid rates concerning the eligible investment costs shall apply to the Union contribution:
   (a) 50 % in less developed regions;
   (b) 40 % in regions other than less developed regions;
   (c) 75 % in the outermost regions referred to in Article 349 of the Treaty;
   (d) 65 % in the smaller Aegean islands as defined in Article 1(2) of Regulation ***(EU) No 229/2013*** ~~**(EC) No 1405/2006**~~.

5. Article 61 of Regulation (EU) No [COM(2011)615] shall apply *mutatis mutandis* to support referred to in paragraph 1 of this Article.

Article 49

By-product distillation

1. Support may be granted for the voluntary or obligatory distillation of by-products of wine making which has been carried out in accordance with the conditions laid down in Section D of Part II of Annex VII.

   The amount of aid shall be fixed per % volume and per hectolitre of alcohol produced. No aid shall be paid for the volume of alcohol contained in the by-products to be distilled which exceeds 10 % in relation to the volume of alcohol contained in the wine produced.

[1] OJ C 244, 1.10.2004, p. 2.

1b. The aid shall be paid to distillers that process by-products of winemaking delivered for distillation into raw alcohol with an alcoholic strength of at least 92 % vol.

Member States may make the granting of support conditional upon the lodging of a security by the beneficiary.

2. The maximum applicable aid levels shall be based on collection and processing costs and fixed by the Commission by means of implementing acts pursuant to Article 51.

2a. The relevant aid shall include a lump-sum amount destined to compensate the costs of collection of the by-products of winemaking which are to be transferred from the distiller to the producer, if the relevant costs are borne by the latter.

3. The alcohol resulting from the supported distillation referred to in paragraph 1 shall be used exclusively for industrial or energy purposes to avoid distortion of competition.

SUBSECTION 3

PROCEDURAL PROVISIONS

Article 50

Delegated powers

~~**Taking into account the need**~~ ***In order*** to ensure that ***Member States' wine*** support programmes meet their objectives and that there is a***n efficient and effective*** ~~**targeted**~~ use of European ***f***~~**F**~~unds, the Commission shall be empowered to adopt delegated acts in accordance with Article 160~~,~~ establishing rules:

(a) on the responsibility for expenditure between the date of receipt ***by the Commission*** of the support programmes, and ~~**on**~~ modifications to support programmes and their date of applicability;

(b) on ***the content of support programmes and*** ~~**eligibility criteria of support measures,**~~ the ~~**type of**~~ expenditure***, administrative and personnel costs*** and operations ***that may be included in Member States' support programmes and the conditions for and the possibility to make payments through intermediaries in the case of support provided for in Article 47*** ~~**eligible for support, measures ineligible for support and the maximum level of support per measure**~~;

~~**(c) on changes to support programmes after they have become applicable;**~~

(d) on ~~**requirements and thresholds for advance payments, including**~~ the requirement ***to lodge*** ~~**for**~~ a security where an advance payment is made;

(e) ~~**containing general provisions and definitions for the purposes of this Section**~~ ***on the use of terms for the purposes of this Section;***

(ea) on the fixing of a ceiling for expenditure on the replanting of vineyards for health/ or phytosanitary reasons in accordance with point (ba) of the first subparagraph of Article 44(3);

(f) ***on the avoidance of*** ~~**to avoid misuse of the support measures and**~~ double funding ***between:*** ~~**of projects;**~~

(i) the different operations of a Member State's wine support programme, and

(ii) a Member State's wine support programme and its rural development or promotional programmes;

(g) under which producers shall withdraw the by-products of winemaking and exceptions from this obligation to avoid additional administrative burden and rules for the voluntary certification of distillers;

(h) ~~**laying down requirements for the**~~ ***enabling*** Member States ~~**for the implementation of the support measures, as well as restrictions**~~ to ***establish conditions for the proper functioning of*** ~~**ensure consistency with the scope of the**~~ support measures ***in their programmes***~~**;**~~

~~**(i) regarding payments to beneficiaries and payments through insurance intermediaries in the case of support for harvest insurance provided for in Article 47**~~.

Article 51

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts, adopt measures concerning:

(a) the submission of the support programmes, the corresponding financial planning and revision of support programmes;

(b) application~~**, and**~~ selection ***and payment*** procedures;

(c) ***the submission, format and content of the reports and evaluations of Member States' support programmes*** ~~**evaluation of the supported actions**~~;

(d) the ***fixing by Member States of the rates*** ~~**calculation and payment**~~ of aid for green harvesting and by-product distillation;

(e) ~~**requirements on**~~ financial management ***and provisions concerning the application*** of the support measures by the Member States;

(f) ***the procedures for and the amount of the security to be lodged where an advance payment is made*** ~~**rules on coherence of measures**~~.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

SECTION 5

AID IN THE APICULTURE SECTOR

Article 52

National programmes and financing

1. ***With a view to improving general conditions for the production and marketing of apiculture products,*** Member States may draw up national programmes for the apiculture sector covering a period of three years ***('apiculture programmes'). These programmes shall be developed in cooperation with representative organisations in the beekeeping field.***

2. The Union contribution to the apiculture programmes shall ~~**not exceed**~~ ***be equivalent to*** 50 % of the expenditure borne by Member States ***for those programmes, as approved in accordance with Article 54***.

3. To be eligible for the Union contribution provided for in paragraph 2, Member States shall carry out a study of the production and marketing structure in the beekeeping sector in their territory.

3a. The following measures may be included in apiculture programmes:

(a) technical assistance to beekeepers and beekeepers' organisations;

(b) combating beehive invaders and diseases, particularly varroasis;

(c) rationalisation of transhumance;

(d) measures to support laboratories for the analysis of apiculture products with the aim of helping beekeepers to market and increase the value of their products;

(e) measures to support the restocking of hives in the Union;

(f) cooperation with specialised bodies for the implementation of applied research programmes in the field of beekeeping and apiculture products;

(g) market monitoring;

(h) enhancement of product quality with a view to exploiting the potential of products on the market.

Article 53

Delegated powers

1. ~~**Taking into account the need**~~ ***In order*** to ensure ***the effective and efficient*** ~~**a targeted**~~ use of Union funds for apiculture, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 on:

(a) the ***avoidance of double funding between Member States'*** ~~**measures which may be included in**~~ apiculture programmes ***and rural development programmes***;

~~**(b) rules for drawing up and the content of national programmes and the studies referred to in Article 52(3); and**~~

(c) the ***basis of*** ~~**conditions for**~~ the allocation of the Union's financial contribution to each participating Member State based on***,*** inter alia***, the*** total number of ***bee*** hives in the Union.

2. In order to ensure that the Union aid scheme is adapted to the latest developments and that the measures covered are effective in reaching an improvement in the general conditions for the production and marketing of apiculture products, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 to update the list of measures referred to in Article 52(3a) that may be included in Member States' apiculture programmes, by adding other measures or adapting those measures without deleting any of them. That update of the list of measures shall not affect national programmes adopted prior to the entry into force of the delegated act.

Article 54

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts***, adopt the measures necessary for the application of this Section concerning***:

(aa) the content of national programmes and of the studies carried out by Member States on the production and marketing structure of their beekeeping sectors;

(a) ***the procedure*** ~~**adopt rules to ensure that measures financed under the apiculture programmes are not simultaneously subject to payments under another Union scheme, and**~~ for the reallocation of unused funds;

(b) ***the approval of*** ~~**approve the**~~ apiculture programmes submitted by Member States, including the allocation of the Union's financial contribution ***to each participating Member State;***

(c) the maximum level of funding by Member State in accordance with Article 52(2).

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

SECTION 5A

AID IN THE HOPS SECTOR

Article 54-a1

Aid to producer organisations

1. The Union shall grant an aid to producer organisations in the hops sector recognised in accordance with Article 106 to finance the pursuit of the aims referred to in points (c)(i), (ii) or (iii) of Article 106(1).

2. The Union financing for the aid to producer organisations provided for in paragraph 1 shall be EUR 2 277 000 per year for Germany.

Article 54-a2

Delegated powers

In order to ensure that the aid referred to in Article 54-a1 finances the pursuit of the aims referred to in Article 106, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 concerning:

(a) aid applications, including rules on deadlines and accompanying documents;

(b) rules on eligible hop areas and the calculation of the amounts to be paid to each producer organisation.

Article 54-a3

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts adopted in accordance with the examination procedure referred to in Article 162(2), adopt the measures necessary for the application of this Section concerning the payment of aid.

PART II, TITLE I

CHAPTER III

Scheme of authorisations for vine plantings

Article 54a0
Duration

The scheme of authorisations for vine plantings established in this Chapter shall apply between 1 January 2016 and 31 December 2030, with a mid-term review to be undertaken by the Commission to evaluate the operation of the scheme and if appropriate, make proposals.

SECTION 1

Management of the scheme of authorisations for vine plantings

Article 54a
Authorisations

1. Vines of wine grape varieties classified in accordance with Article 63(2) may only be planted or replanted if an authorisation is granted in accordance with Articles 54c, 54e and 54h under the conditions laid down in this Chapter.

2. Member States shall grant the authorisation referred to in paragraph 1, corresponding to a specific area expressed in hectares, upon submission of an application by producers which complies with objective and non-discriminatory eligibility criteria. Such authorisation shall be granted without a cost being charged to the producers.

3. The authorisations referred to in paragraph 1 shall be valid for three years from the date on which they were granted. A producer who has not used an authorisation granted during its period of validity shall be subject to administrative penalties as provided for in Article 89(3a) of [proposal COM(2011) 628 final/2].

4. This Chapter shall not apply to planting or replanting of areas intended for experimental purposes or for graft nurseries, to areas whose wine or vine products are intended solely for the consumption by the wine-grower's household or to areas to be newly planted as a result of compulsory purchases in the public interest adopted under national legislation.

Article 54b

Safeguard mechanism for new plantings

1. Member States shall make available each year authorisations for new plantings corresponding to 1% of the total area actually planted with vines in their territory, as measured on 31 July of the previous year.

2. Member States may:

(a) apply at national level a lower percentage than the one set out in paragraph 1;

(b) limit the issuing of authorisations at regional level, for specific areas eligible for the production of wines with a protected designation of origin, for areas eligible for the production of wines with a protected geographical indication, or for areas without a geographical indication.

Any of the limitations referred to in points (a) and (b) shall contribute to an orderly growth of vine plantings, shall be set above 0%, and shall be justified on one or more of the following specific grounds:

(a) the need to avoid a well-demonstrated risk of oversupply of wine products in relation to market prospects for those products, not exceeding what is necessary to satisfy this need;

(b) the need to avoid a well-demonstrated risk of significant devaluation of a particular protected designation of origin or a protected geographical indication.

3. Member States shall make public any decisions adopted pursuant to paragraph 2, which shall be duly justified. Member States shall notify the Commission forthwith of those decisions and justifications.

Article 54c

Granting of authorisations for new plantings

1. If the total area covered by the eligible applications in a given year does not exceed the area made available by the Member State, all those applications shall be accepted.

Member States may, for the purpose of this Article, apply one or more of the following objective and non-discriminatory eligibility criteria:

(a) the applicant has an agricultural area which is not smaller than the area for which he requests the authorisation;

(b) the applicant possesses adequate occupational skills and competence;

(c) the application does not pose a significant risk of misappropriation of the reputation of specific protected designations of origin, which is presumed unless the existence of such risk is demonstrated by the public authorities;

(d) where duly justified, one or more of the criteria referred to in paragraph 2 provided that they are applied in an objective and non-discriminatory manner.

2. If the total area covered by the eligible applications referred to in paragraph 1, in a given year exceeds the area made available by the Member State, authorisations shall be granted according to a pro-rata distribution of hectares to all applicants on the basis of the area for which they have requested the application. Such granting may also be partially or completely made according to one or more of the following objective and non-discriminatory priority criteria:

(a) producers who are setting up vine plantings for the first time, and who are established as the head of the holding (new entrants);

(b) areas where vineyards contribute to the preservation of the environment;

(c) areas to be newly planted in the framework of land consolidation projects;

(d) areas facing natural or other specific constraints

(e) the sustainability of projects of development or replantations on the basis of an economic evaluation;

(f) areas to be newly planted which contribute to increase the competitiveness at farm holding and regional level;

(g) projects with the potential to improve the quality of products with geographical indications;

(h) areas to be newly planted in the framework of increasing the size of small and medium-sized holdings.

3. Member States shall make public the criteria referred to in paragraphs 1 and 2 that they apply and shall notify them forthwith to the Commission.

Article 54d

Role of professional organisations

When applying Article 54b(2), a Member State may take into account recommendations presented by recognised professional organisations operating in the wine sector referred to in Articles 106 to 108, of interested groups of producers referred to in Article 72, or of other types of professional organisation recognised on the basis of that Member State's legislation, provided that those recommendations are preceded by an agreement taken by the representative relevant parties in the reference geographical area.

The recommendations shall be made for no more than three years.

Article 54e

Replantings

1. Member States shall grant an authorisation automatically to producers who have grubbed up an area planted with vines as from 1 January 2016 and submit an application. Such authorisation shall correspond to the equivalent of that area in terms of pure crop. The areas covered by such authorisations shall not be counted for the purposes of Article 54b.

2. Member States may grant the authorisation referred to in paragraph 1 to producers undertaking to grub up an area planted with vines if the grubbing-up of the pledged area is carried out at the latest at the end of the fourth year from the date on which new vines have been planted.

3. The authorisation referred to in paragraph 1 shall be used on the same holding on which the grubbing-up was undertaken. Member States may, in areas eligible for the production of protected designations of origin or protected geographical indications, restrict the replanting, on the basis of a recommendation from a professional organisation in accordance with Article 54d, to vines complying with the same protected designation of origin or geographical indication specification as the area grubbed up.

4. Paragraphs 1, 2 and 3 shall not apply in the case of grubbing-up of non-authorised plantings.

Article 54g
De minimis

1. The scheme of authorisations for vine plantings established in this Chapter shall not apply in Member States where the transitional planting right regime established in Subsection II of Section IVa of Chapter III of Title I of Part II of Regulation (EC) No 1234/2007 did not apply on 31 December 2007.

2. Member States to which the regime referred to in paragraph 1 applied on 31 December 2007, and in respect of which the areas currently planted with vines do not exceed 10 000 hectares, may decide not to implement the scheme of authorisations for vine plantings established in this Chapter.

Article 54h
Transitional provisions

1. Planting rights granted to producers in accordance with Article 85h, Article 85i or Article 85k of Regulation (EC) No 1234/2007 before 31 December 2015 which have not been used by those producers and are still valid by that date may be converted into authorisations under this Chapter as from 1 January 2016.

Such conversion shall take place upon request to be submitted by those producers before 31 December 2015. Member States may decide to allow producers to submit such request to convert rights into authorisations until 31 December 2020.

2. Authorisations granted pursuant to paragraph 1 shall have the same period of validity as the planting rights referred to in paragraph 1. If these authorisations are not used, they expire at the latest by 31 December 2018, or by 31 December 2023 if Member States have taken the decision referred to in the second subparagraph of paragraph 1.

3. The areas covered by the authorisations granted pursuant to paragraph 1 shall be not be counted for the purposes of Article 54b.

Article 54i

Delegated powers

The Commission shall be empowered to adopt delegated acts in accordance with Article 160 concerning:

(a) the conditions for the application of the exemption referred to in Article 54a(4);

(b) the rules relating to the criteria referred to in Article 54c(1) and (2);

(c) the addition of criteria to those listed in Article 54c(1) and (2);

(d) the co-existence of vines the producer has committed to grub up with newly planted vines pursuant to Article 54e(2);

(e) the grounds for Member State decisions under Article 54e(3).

Article 54j

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts, adopt the necessary measures in relation to:

(a) the procedures of granting the authorisations;

(b) the records to be kept by the Member States and notifications to be sent to the Commission.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

SECTION 2

Control of the scheme of authorisations for vine plantings

Article 54k

Non-authorised plantings

1. ***Producers shall grub up at their own cost areas planted with vines without an authorisation.***

2. ***If the producers do not grub up within four months from the date on which they are notified of the irregularity, Member States shall ensure the grubbing-up of such non-authorised plantings within two years following the expiry of the four-month period. The relevant cost shall be charged to the producers concerned.***

3. ***Member States shall communicate to the Commission by 1 March each year the total size of the areas ascertained as planted with vines without an authorisation after 1 January 2016, as well as the areas grubbed up in accordance with paragraphs 1 and 2.***

4. ***A producer who has not complied with the obligations laid down in this Article shall be subject to penalties to be laid down in accordance with Article 66 of [proposal COM(2011) 628 final/2].***

5. ***Areas planted with vines without an authorisation shall not benefit from any national or Union support measures.***

Article 54l

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts, adopt the necessary measures setting out the details on the communication requirements of Member States including possible reductions of the budget allocations referred to in Annex IV in case of non-compliance.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

TITLE II

RULES CONCERNING MARKETING AND PRODUCER ORGANISATIONS

CHAPTER I

RULES CONCERNING MARKETING

SECTION 1

MARKETING STANDARDS

SUBSECTION 1

INTRODUCTORY PROVISIONS

Article 55

Scope

Without prejudice to any other provisions applicable to agricultural products, as well as the provisions adopted in the veterinary, phytosanitary and food sectors to ensure that products comply with hygiene and health standards and to protect animal, plant and human health, this Section lays down the rules concerning ~~**the general marketing standard and**~~ marketing standards ***divided between obligatory rules and optional reserved terms*** ~~**by sector and/or product**~~ for agricultural products.

~~**SUBSECTION 2**~~

~~**GENERAL MARKETING STANDARD**~~

~~**Article 56**~~

~~**Conformity with the general marketing standard**~~

~~**1. For the purposes of this Regulation a product complies with the "general marketing standard" if it is of sound, fair and marketable quality.**~~

~~2. Where no marketing standards as referred to in Subsection 3 and in Council Directives 2000/36/EC , 2001/112/EC , 2001/113/EC , 2001/114/EC , 2001/110/EC , 2001/111/EC , have been established, agricultural products which are ready for sale or delivery to the final consumer in retail as defined in point 7 of Article 3 of Regulation (EC) No 178/2002 may only be marketed if they conform to the general marketing standard.~~

~~3. A product shall be considered as conforming to the general marketing standard where the product intended to be marketed is in conformity with an applicable standard adopted by any of the international organisations listed in Annex V.~~

~~Article 57~~

~~Delegated powers~~

~~Taking into account the need to address changes in the market situation, and the specificity of each sector, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 to adopt, modify and derogate from the requirements concerning general marketing standard referred to in Article 56(1), and rules on conformity referred to in Article 56(3).~~

SUBSECTION 3

MARKETING STANDARDS BY SECTORS OR PRODUCTS

Article 58

General principle

The products for which marketing standards by sectors or products have been laid down ***in accordance with this Section*** may be marketed in the Union only ***if they conform to those*** ~~in accordance with such~~ standards.

Article 59

Establishment and content

1a. Marketing standards may apply for one or more of the following sectors and/or products:

(a) olive oil and table olives;

(b) fruit and vegetables;

(c) processed fruit and vegetables;

(d) bananas;

(e) live plants;

(f) eggs;

(g) poultry meat;

(h) spreadable fats intended for human consumption;

(i) hops.

1. ~~**Taking**~~ ***In order to take*** into account the expectations of consumers and ~~**the need**~~ to improve the economic conditions for the production and marketing ~~**of agricultural products**~~ as well as the~~**ir**~~ quality ***of the agricultural products covered by paragraphs 1a and 2a of this Article***, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 on marketing standards ~~**referred to in Article 55**~~ ***by sectors or products***, at all stages of the marketing, as well as derogations and exemptions from such standards ***in order*** to adapt to the constantly changing market conditions, to the evolving consumer demands~~**,**~~ ***and*** to developments in relevant international standards***,*** and ***to*** avoid creating obstacles to product innovation.

2. ***Without prejudice to Article 26 Regulation (EU) No 1169/2011 of the European Parliament and of the Council[1],*** ~~**T**~~***t***he marketing standards referred to in paragraph 1 may cover ***one or more of the following requirements determined on a sectoral or product basis and based on the characteristics of each sector, the need to regulate the placing on the market and the conditions defined in paragraph 3***:

(a) the ***technical*** definition***s***, designation and/or sales descriptions ***for sectors*** other than those set out in ***Article 60*** ~~**this Regulation and lists of carcasses and parts thereof to which Annex VI applies**~~;

(b) classification criteria such as grading into classes, weight, sizing, age and category;

(c) ***the species,*** the plant variety or ***the*** animal race or the commercial type;

(d) the presentation, ~~**sales descriptions,**~~ labelling linked to obligatory marketing standards, packaging, rules to be applied in relation to packing centres, marking, ~~**wrapping,**~~ year of harvesting and use of specific terms***, without prejudice to Articles 69 to 100***;

(e) criteria such as appearance, consistency, conformation, product characteristics ***and the percentage of water content***;

(f) specific substances used in production, or components or constituents, including their quantitative content, purity and identification;

(g) the type of farming and production method including oenological practices~~**and related administrative rules, and operating circuit**~~ ***and advanced systems of sustainable production***;

(h) coupage of must and wine including definitions thereof, blending and restrictions thereof;

(i) ***the frequency of collection, delivery, preservation and handling,*** the conservation method and temperature***, the storage and transport***;

(j) the place of farming and/or origin***, excluding poultry meat and spreadable fats***;

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[1] ***Regulation (EU) No 1169/2011 of the European Parliament and of the Council of 25 October 2011 on the provision of food information to consumers, amending Regulations (EC) No 1924/2006 and (EC) No 1925/2006 of the European Parliament and of the Council, and repealing Commission Directive 87/250/EEC, Council Directive 90/496/EEC, Commission Directive 1999/10/EC, Directive 2000/13/EC of the European Parliament and of the Council, Commission Directives 2002/67/EC and 2008/5/EC and Commission Regulation (EC) No 608/2004 (OJ L 304, 22.11.2011, p. 18).***

~~(k) the frequency of collection, delivery, preservation and handling;~~

~~(l) the identification or registration of the producer and/or the industrial facilities in which the product has been prepared or processed;~~

~~(m) the percentage of water content;~~

(n) restrictions as regards the use of certain substances and/or practices;

(o) specific use;

~~(p) commercial documents, accompanying documents and registers to be kept;~~

~~(q) storage, transport;~~

~~(r) the certification procedure;~~

(s) the conditions governing the disposal, the holding, circulation and use of products not in conformity with the marketing standards adopted pursuant to paragraph 1 and/or with the definitions, designations and sales descriptions as referred to in Article 60, as well as the disposal of by-products~~;~~

~~(t) time limits~~.

2a. Notwithstanding paragraph 1a, paragraphs (2)(f), (g), (h), (n) and (s) shall apply to the wine sector.

3. The marketing standards by sectors or products adopted pursuant to paragraph 1 shall be established without prejudice to ***the provisions on optional reserved terms in Articles 65a to 65e and Annex VIIa of this Regulation*** ~~Title IV of Regulation (EU) No [COM(2010)733] on agricultural product quality schemes,~~ and shall take into account:

(a) the specificities of the product concerned;

(b) the need to ensure the conditions ***to facilitate the*** ~~for a smooth~~ placing of the products on the market;

(c) ***the interest of producers to communicate the product and farming characteristics, and*** the interest of consumers to receive adequate and transparent product information, including the place of farming to be determined on a case by case approach at the appropriate geographical level***, after conducting an evaluation of, in particular, the costs and administrative burdens for operators, as well as the benefits offered to producers and the end consumer***;

(d) the methods ***available*** ~~**used**~~ for determining physical, chemical and organoleptic characteristics of the products;

(e) the standard recommendations adopted by international bodies***;***

(ea) the need to preserve the natural and essential characteristics of products and to avoid causing a substantial change in the composition of the product concerned.

4. In order to take into account the expectations of consumers and the need to improve the quality and the economic conditions for the production and marketing of agricultural products, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 to modify the list of sectors in paragraph 1a. Such delegated acts shall be strictly limited to demonstrated needs resulting from evolving consumer demands, technical progress or need for product innovation, and subject to a Commission report to the European Parliament and the Council evaluating, in particular, the need of the consumer, the costs and administrative burdens for operators including the impact on the internal market and on international trade, as well as the benefits offered to producers and the end consumer.

Article 59a

Additional requirements for marketing of products in the fruit and vegetables sector

1. In addition, where relevant, to the applicable marketing standards referred to in Article 59, products of the fruit and vegetables sector which are intended to be sold fresh to the consumer may only be marketed if they are sound, fair and of marketable quality and if the country of origin is indicated.

2. The marketing standards referred to in paragraph 1, as well as any marketing standard applicable to the fruit and vegetables sector laid down in accordance with this subsection, shall apply at all marketing stages including import and export, and may cover quality, categorisation, weight, size, packing, packaging, storage, transport, presentation and marketing.

3. The holder of products of the fruit and vegetables sector covered by marketing standards shall not display such products, offer them for sale or deliver or market them in any manner within the Union other than in conformity with those standards and shall be responsible for ensuring such conformity.

4. The Commission shall be empowered to adopt delegated acts in accordance with Article 160 concerning specific derogations to this Article which are necessary for its proper application.

Article 59b

Certification for hops

1. In addition, where relevant, to the applicable marketing standards, products of the hops sector harvested or prepared within the Union shall be subject to a certification procedure under this Article.

2. Certificates may be issued only for products having the minimum quality characteristics appropriate to a specific stage of marketing. In the case of hop powder, hop powder with higher lupulin content, extract of hops and mixed hop products, the certificate may only be issued if the alpha acid content of these products is not lower than that of the hops from which they have been prepared.

3. The certificates shall indicate at least:

(a) the place(s) of production of the hops;

(b) the year(s) of harvesting; and

(c) the variety or varieties.

4. Products of the hops sector may be marketed or exported only if covered by a certificate issued in accordance with this Article.

In the case of imported products of the hops sector, the attestation provided for in Article 129a shall be deemed to be equivalent to that certificate.

5. The Commission shall be empowered to adopt delegated acts in accordance with Article 160 to adopt measures derogating from paragraph 4:

(a) in order to satisfy the trade requirements of certain third countries; or

(b) for products intended for special uses.

The measures referred to in the first subparagraph shall:

(a) not prejudice the normal marketing of products for which the certificate has been issued; and

(b) be accompanied by guarantees intended to avoid any confusion with those products.

Article 60

Definitions, designations and sales descriptions for certain sectors and products

1. ***In addition, where relevant, to the applicable marketing standards,*** ~~**T**~~***t***he definitions, designations and sales descriptions provided for in Annex VI shall apply to the following sectors or products:
   (a) olive oil and table olives;
   (b) wine;
   (c) beef and veal;
   (d) milk and milk products intended for human consumption;
   (e) poultrymeat ***and eggs***;
   (f) spreadable fats intended for human consumption.

2. Definitions, designations or sales descriptions provided for in Annex VI may be used in the Union only for the marketing of a product which ***conforms to*** ~~**complies with**~~ the corresponding requirements laid down in that Annex.

3. ~~**Taking into account the need to adapt to evolving consumer demands, and technical progress and to avoid creating obstacles to product innovation, t**~~***T***he Commission shall be empowered to adopt delegated acts in accordance with Article 160 ~~**on**~~ ***concerning the*** modifications, derogations or exemptions to the definitions and sales descriptions provided for in Annex VI. ***Any such acts shall be strictly limited to demonstrated needs resulting from evolving consumer demands, technical progress or needs for product innovation.***

3a. In order to ensure that operators and Member States have a clear and proper understanding of the definitions and sales descriptions provided for in Annex VI, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 concerning the rules for their specification and application.

4. In order to take into account the expectations of the consumers and the evolution of the milk products market, the Commission shall be empowered to adopt deletated acts in accordance with Article 160 to specify the milk products for which the animal species from which the milk originates shall be stated, if it is not bovine, and to lay down the relevant necessary rules.

Article 61

Tolerance

1. ~~**Taking**~~ ***In order to take*** into account the specificity of each ***product or*** sector, ***the different marketing stages, the technical conditions, any possible considerable practical difficulty, and also the accuracy and repeatability of the methods of analysis,*** the Commission shall be empowered to adopt delegated acts in accordance with Article 160 on tolerance for ***one or more specific standards*** ~~**each standard**~~ beyond which the entire batch of products shall be considered ~~**as**~~ not ***to respect*** ~~**respecting**~~ that standard.

2. When adopting the acts referred to in paragraph 1, the Commission shall take into account the need not to alter the intrinsic characteristics of the product and to avoid lowering the quality of the products.

Article 62

Oenological practices and methods of analyses

1. Only oenological practices authorised in accordance with Annex VII and provided for in point (g) of Article 59(2) and in paragraphs 2 and 3 of Article 65 shall be used in the production and conservation of the products listed in Part II of Annex VI in the Union.

The first subparagraph shall not apply to:

(a) grape juice and concentrated grape juice; ***and***

(b) grape must and concentrated grape must intended for the preparation of grape juice.

Authorised oenological practices shall only be used for the purposes of ensuring proper vinification, proper preservation or proper refinement of the product.

Products listed in Part II of Annex VI shall be produced in the Union in accordance with the rules laid down in Annex VII.

Products listed in Part II of Annex VI shall not be marketed in the Union where:

(a) they have undergone unauthorised Union oenological practices***;*** ~~**or**~~

(b) they have undergone unauthorised national oenological practices***;*** or

(c) they do not comply with the rules laid down in Annex VII.

The grape vine products which are unmarketable in accordance with the fifth subparagraph shall be destroyed. By way of derogation from this rule, Member States may authorise the use of certain products, the characteristics of which they shall determine, by distilleries or vinegar factories or for industrial purposes, provided that this authorisation does not become an incentive to produce by means of unauthorised oenological practices.

2. When authorising oenological practices for wine as referred to in point (g) of Article 59(2), the Commission shall:

(a) ~~**base itself on**~~ ***take into account*** the oenological practices and methods of analyses recommended and published by the OIV as well as on the results of experimental use of as yet unauthorised oenological practices;

(b) take into account the protection of human health;

(c) take into account the possible risk of consumers being misled due to their ~~**expectations and perceptions**~~ ***well established perception of the product and their corresponding expectations***, having regard to the availability and feasibility of informational means to exclude such risks;

(d) allow the preservation of the natural and essential characteristics of the wine and not cause a substantial change in the composition of the product concerned;

(e) ensure an acceptable minimum level of environmental care;

(f) respect the general rules concerning oenological practices and the rules laid down in Annex VII.

2a. In order to ensure the correct treatment of unmarketable wine products, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 concerning rules on the national procedures concerning the withdrawal or destruction of wine products that do not comply with the requirements referred to in the fifth subparagraph of Article 62(1), and derogations therefrom.

3. The Commission shall, where necessary, adopt methods referred to in point (d) of Article 59(3) for products listed in Part II of Annex VI by means of implementing acts. Those methods shall be based on any relevant methods recommended and published by the OIV, unless they would be ineffective or inappropriate in view of the ~~**legitimate**~~ objective pursued ***by the Union***. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Pending the adoption of such ~~**rules**~~ ***provisions***, the methods ***and rules*** to be used shall be those allowed by the Member State concerned.

Article 63

Wine grape varieties

1. Products listed in Part II of Annex VI and produced in the Union shall be made from wine grape varieties classifiable ***in accordance with*** ~~**according to**~~ paragraph 2 of this Article.

2. Subject to paragraph 3, Member States shall classify which wine grape varieties may be planted, replanted or grafted on their territories for the purpose of wine production.

Only wine grape varieties meeting the following conditions may be classified by Member States:

(a) the variety concerned belongs to the species *Vitis vinifera* or comes from a cross between the species *Vitis vinifera* and other species of the genus *Vitis*;

(b) the variety is not one of the following: Noah, Othello, Isabelle, Jacquez, Clinton and Herbemont.

Where a wine grape variety is deleted from the classification referred to in the first subparagraph, grubbing-up of this variety shall take place within 15 years of its deletion.

3. Member States whose wine production does not exceed 50 000 hectolitres per wine year, calculated on the basis of the average production during the last five wine years, shall be exempted from the classification obligation referred to in the first subparagraph of paragraph 2.

However, also in the Member States referred to in the first subparagraph, only wine grape varieties complying with the second subparagraph of paragraph 2 may be planted, replanted or grafted for the purpose of wine production.

4. By way of derogation from the first and third subparagraphs of paragraph 2 and the second subparagraph of paragraph 3, the planting, replanting or grafting of the following wine grape varieties shall be allowed by the Member States for scientific research and experimental purposes:

(a) wine grape varieties which are not classified as far as Member States referred to in paragraph ***23*** are concerned;

(b) wine grape varieties which do not comply with the second subparagraph of paragraph 2 as far as Member States referred to in paragraph 3 are concerned.

5. Areas planted with wine grape varieties for the purpose of wine production planted in breach of paragraphs 2 ***and*** ~~**to**~~ 4 shall be grubbed up.

However, there shall be no obligation to grub up such areas where the relevant production is intended exclusively for consumption by the wine-producers' households.

Article 64

Specific use of wine not conforming to the categories listed in Part II of Annex VI

Except for bottled wine for which there is evidence that bottling was performed before 1 September 1971, wine produced from wine grape varieties listed in the classifications drawn up in accordance with the first subparagraph of Article 63(2) but not conforming to one of the categories laid down in Part II of Annex VI~~,~~ shall be used only for consumption by individual wine-producers' households, for the production of wine vinegar or for distillation.

Article 65

National rules for certain products and sectors

1. Notwithstanding ~~**the provisions of**~~ Article 59(1), Member States may adopt or maintain national rules laying down different quality levels for spreadable fats. Such rules shall allow those quality levels to be assessed on the basis of criteria relating in particular to the raw materials used, the organoleptic characteristics of the products and their physical and microbiological stability.

Member States making use of the option provided for in the first subparagraph shall ensure that other Member States' products complying with the criteria laid down by those national rules may, in a non-discriminatory way, use terms which state that those criteria are complied with.

2. Member States may limit or prohibit the use of certain oenological practices and provide for more stringent rules for wines authorised under Union law produced in their territory with a view to reinforcing the preservation of the essential characteristics of wines with a protected designation of origin or a protected geographical indication and of sparkling wines and liqueur wines.

3. Member States may allow the experimental use of unauthorised oenological practices ~~**in accordance with the conditions specified by the Commission, by means of delegated acts adopted pursuant to paragraph 4**~~.

4. ~~**Taking into account the need**~~ ***In order*** to ensure the correct and transparent application ***of this Article***, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 ***setting out*** ~~**specifying**~~ the conditions for the application of paragraphs 1, 2 and 3 of this Article as well as the conditions for the holding, circulation and use of the products obtained from the experimental practices referred to in paragraph 3 of this Article.

4a. Member States may only adopt or maintain additional national provisions on products covered by a Union marketing standard if those provisions comply with Union law, in particular the principle of free movement of goods, and subject to Directive 98/34/EC of the European Parliament and of the Council[1].

[1] ***Directive 98/34/EC of the European Parliament and of the Council of 22 June 1998 laying down a procedure for the provision of information in the field of technical standards and regulations and of rules on Information Society services (OJ L 204, 21.7.1998, p. 37).***

SUBSECTION 3a

OPTIONAL RESERVED TERMS

Article 65a

General provision

A scheme for optional reserved terms by sector or product shall be established in order to make it easier for producers of agricultural products that have value-adding characteristics or attributes to communicate those characteristics or attributes within the internal market, and in particular to support and complement the specific marketing standards.

This Subsection shall not apply to wine products referred to in Article 69(1).

Article 65b

Existing optional reserved terms

1. ***The optional reserved terms covered by this scheme at the date of entry into force of this Regulation are listed in Annex VIIa and the conditions of their use shall be laid down pursuant to point (a) of Article 65c.***

2. ***The optional reserved terms referred to in paragraph 1 shall remain in force, subject to any amendment, unless cancelled pursuant to Article 65c.***

Article 65c

Reservation, amendment and cancellation of optional reserved terms

In order to take account of the expectations of consumers, developments in scientific and technical knowledge, the situation in the market and developments in marketing standards and in international standards, the Commission shall be empowered to adopt delegated acts in accordance with Article 160:

(a) reserving an additional optional reserved term, laying down its conditions of use,

(b) amending the conditions of use of an optional reserved term, or

(c) cancelling an optional reserved term.

Article 65d

Additional optional reserved terms

1. *A term may become an additional optional reserved term only if it fulfils all of the following requirements:*
   - *(a) the term relates to a characteristic of a product or to a farming or processing attribute and relates to a sector or product;*
   - *(b) the use of the term enables clearer communication of the value added of the product by its particular characteristics or farming or processing attribute;*
   - *(c) the characteristic or attribute referred to in point (a) of the product, when placed on the market, is identifiable by consumers in several Member States;*
   - *(d) the conditions and use of the term are in conformity with Directive 2000/13/EC of the European Parliament and of the Council*[1]*.*

   When introducing an additional optional reserved term, the Commission shall take account of any relevant international standard and of the existing reserved terms for the products or sectors involved.

2. *In order to take the characteristics of certain sectors as well as consumer expectations into account, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 concerning further details on the requirements for the introduction of an additional reserved term as referred to in paragraph 1.*

Article 65e

Restrictions on use of optional reserved terms

1. *An optional reserved term may only be used to describe products that conform to the applicable conditions of use.*

[1] *Directive 2000/13/EC of the European Parliament and of the Council of 20 March 2000 on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstaffs (OJ L 109, 6.5.2000, p. 29)*.

2. Member States shall adopt appropriate measures to ensure that product labelling does not give rise to confusion with optional reserved terms.

3. In order to ensure that products described by means of optional reserved terms conform to the applicable conditions of use, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 concerning additional rules on the use of optional reserved terms.

SUBSECTION 4

MARKETING STANDARDS RELATED TO IMPORT AND EXPORT

Article 66

General provisions

~~**Taking**~~ ***In order to take*** into account the specificities in trade between the Union and certain third countries and the special character of ***certain*** ~~**some**~~ agricultural products, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 ***concerning:***

(a) ~~**to define**~~ the conditions under which imported products are considered to have an equivalent level of ***conformity to*** ~~**compliance with**~~ the Union marketing standards and conditions allowing derogation from Article 58***;*** and

(b) ~~**determine**~~ the rules concerning the application of the marketing standards to products exported from the Union.

Article 67

Special provisions for the imports of wine

1. Save as otherwise provided for in ***international*** agreements concluded ***in accordance with*** ~~**pursuant to Article 218 of**~~ the Treaty, the provisions concerning designation of origin and geographical indications and labelling of wine set out in Section 2 of this Chapter and in the definitions, designations and sales descriptions referred to in Article 60 of this Regulation~~,~~ shall apply to products imported into the Union and falling under CN codes 2009 61, 2009 69 and 2204.

2. Save as otherwise provided for in ***international*** agreements concluded ~~**pursuant to**~~ ***in accordance with*** ~~**Article 218 of**~~ the Treaty, products referred to in paragraph 1 of this Article shall be produced in accordance with oenological practices ~~**recommended and published by the OIV or**~~ authorised by the Union pursuant to this Regulation ***or, prior to the authorisation according to Article 62(2), produced in accordance with oenological practices recommended and published by the OIV***.

3. The import of the products referred to in paragraph 1 shall be subject to the presentation of:

(a) a certificate evincing compliance with the provisions referred to in paragraphs 1 and 2, drawn up by a competent body, included on a list to be made public by the Commission, in the product's country of origin;

(b) an analysis report drawn up by a body or department designated by the product's country of origin, in so far as the product is intended for direct human consumption.

SUBSECTION 5

COMMON PROVISIONS

Article 68

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts~~, adopt the necessary measures related to this Section and in particular~~:

~~(a) for the implementation of the general marketing standard;~~

~~(b) for the implementation of the definitions and sales descriptions provided for in Annex VI;~~

(c) ~~for drawing~~ ***draw*** up the list of milk and milk products referred to in the second paragraph of point 5 of Part III of Annex VI and spreadable fats referred to in point (a) of the sixth paragraph of Part VI of Annex VI, on the basis of indicative lists of products which Member States regard as corresponding in their territory to those provisions and which Member States shall send to the Commission;

(d) ***lay down rules*** for the implementation of the marketing standards by sector or product~~; including the detailed rules for the taking of samples and the methods of analysis for determining the composition of products~~;

(e) ***lay down rules*** for determining whether products have undergone processes contrary to the authorised oenological practices;

(ei) lay down rules for the methods of analysis for determining the composition of products;

(f) ***lay down rules*** for fixing of the tolerance level~~.~~***;***

(g) ***lay down rules*** for the implementation of ***the measures referred to in*** Article 66***;***

(h) lay down rules for the identification or registration of the producer and/or the industrial facilities in which the product has been prepared or processed, the certification procedures and the commercial documents, accompanying documents and registers to be kept.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

SECTION 2

DESIGNATIONS OF ORIGIN, GEOGRAPHICAL INDICATIONS AND TRADITIONAL TERMS IN THE WINE SECTOR

SUBSECTION 1

INTRODUCTORY PROVISIONS

Article 69

Scope

1. Rules on designations of origin, geographical indications and traditional terms laid down in this Section shall apply to the products referred to in points 1, 3 to 6, 8, 9, 11, 15 and 16 of Part II of Annex VI.

2. The rules referred to in paragraph 1 shall be based on:
   (a) protecting of legitimate interests of consumers and producers;
   (b) ensuring the smooth operation of the internal market in the products concerned; and
   (c) promoting the production of quality products ***as referred to under this Section***, whilst allowing national quality policy measures.

SUBSECTION 2

DESIGNATIONS OF ORIGIN AND GEOGRAPHICAL INDICATIONS

Article 70

Definitions

1. For the purposes of this Section, the following definitions shall apply:
   (a) "a designation of origin" shall mean the name of a region, a specific place or, in exceptional and duly justifiable cases, a country used to describe a product referred to in Article 69(1) complying with the following requirements:
      (i) the quality and characteristics of the product are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors;
      (ii) the grapes from which the product is produced come exclusively from that geographical area;
      (iii) the production takes place in that geographical area; and
      (iv) the product is obtained from vine varieties belonging to *Vitis vinifera*;
   (b) "a geographical indication" shall mean an indication referring to a region, a specific place or, in exceptional and duly justifiable cases, a country, used to describe a product referred to in Article 69(1) complying with the following requirements:
      (i) it possesses a specific quality, reputation or other characteristics attributable to that geographical origin;
      (ii) at least 85 % of the grapes used for its production come exclusively from that geographical area;
      (iii) its production takes place in that geographical area; and
      (iv) it is obtained from vine varieties belonging to *Vitis vinifera* or a cross between the *Vitis vinifera* species and other species of the genus *Vitis*.

2. Certain traditionally used names shall constitute a designation of origin where they:
   (a) designate a wine;
   (b) refer to a geographical name;
   (c) meet the requirements referred to in points ***(a)***(i) to (iv) of paragraph 1~~(a)~~; and
   (d) undergo the procedure conferring protection on designations of origin and geographical indications laid down in this Subsection.

3. Designations of origin and geographical indications, including those relating to geographical areas in third countries, shall be eligible for protection in the Union in accordance with the rules laid down in this Subsection.

4. Production as referred to in points (a)(iii) of paragraph 1 shall cover all the operations involved, from the harvesting of the grapes to the completion of the wine-making processes, with the exception of any post-production processes.
For the purpose of the application of point (b)(ii) of paragraph 1, the maximum 15 % share of grapes which may originate outside the demarcated area shall originate from the Member State or third country in which the demarcated area is situated.

Article 71

Applications for protection

1. Applications for protection of names as designations of origin or geographical indications shall include a technical file containing:
   (a) the name to be protected;
   (b) the name and address of the applicant;
   (c) a product specification as referred to in paragraph 2; and
   (d) a single document summarising the product specification referred to in paragraph 2.

2. The product specification shall enable interested parties to verify the relevant conditions of production of the designation of origin or geographical indication.

   It shall consist at least of:
   (a) the name to be protected;
   (b) a description of the wine(s):
      (i) for wines with a designation of origin, its principal analytical and organoleptic characteristics;
      (ii) for wines with a geographical indication, its principal analytical characteristics as well as an evaluation or indication of its organoleptic characteristics;

(c) where applicable, the specific oenological practices used to make the wine(s) as well as the relevant restrictions on making the wine(s);

(d) the demarcation of the geographical area concerned;

(e) the maximum yields per hectare;

(f) an indication of the wine grape variety or varieties the wine(s) is obtained from;

(g) the details bearing out the link referred to in point (a)(i) or, as the case may be, in point (b)(i) of Article 70(1);

(h) applicable requirements laid down in Union or national legislation or, where foreseen by Member States, by an organisation which manages the protected designation of origin or the protected geographical indication, having regard to the fact that such requirements must be objective, non-discriminatory and compatible with Union law;

(i) the name and address of the authorities or bodies verifying compliance with the provisions of the product specification and their specific tasks.

3. Where the application for protection concerns a geographical area in a third country, ***it shall contain,*** in addition to the elements provided for in paragraphs 1 and 2, ~~**it shall contain**~~ a proof that the name concerned is protected in its country of origin.

Article 72

Applicants

1. Any interested group of producers, or in exceptional and duly justifiable cases a single producer, may apply for the protection of a designation of origin or geographical indication. Other interested parties may participate in the application.

2. Producers may apply for protection only for wines which they produce.

3. In the case of a name designating a trans-border geographical area or a traditional name connected to a trans-border geographical area, a joint application may be submitted.

Article 73

Preliminary national procedure

1. Applications for protection of a designation of origin or a geographical indication ~~**as referred to in Article 71**~~ for wines originating in the Union shall be subject to a preliminary national procedure.

1a. The application for protection shall be filed with the Member State in which territory the designation of origin or geographical indication originates.

1b. The Member State with which the application for protection is filed shall examine it in order to verify whether it meets the conditions set out in this Subsection.

The Member State shall carry out a national procedure ensuring adequate publication of the application and providing for a period of at least two months from the date of publication within which any natural or legal person having a legitimate interest and resident or established on its territory may object to the proposed protection by lodging a duly substantiated statement with the Member State.

2. If the Member State considers that the designation of origin or ***the*** geographical indication does not ~~**meet**~~ ***comply with*** the ~~**requirements**~~ ***conditions laid down in this Subsection*** or is incompatible with Union law, it shall reject the application.

3. If the Member State considers that the requirements are met, it shall carry out a national procedure which ensures adequate publication of the product specification at least on the Internet.

Article 74

Scrutiny by the Commission

1. The Commission shall make public the date of submission of the application for protection of the designation of origin or geographical indication.

2. The Commission shall examine whether the applications for protection as referred to in Article 71 meet the conditions laid down in this Subsection.

3. Where the Commission considers that the conditions laid down in this Subsection are met, it shall, by means of implementing acts ***adopted without applying the procedure referred to in Article 162(2) or (3)***, decide to publish in the *Official Journal of the European Union* the single document referred to in point (d) of Article 71(1) and the reference to the publication of the product specification made in the course of the preliminary national procedure.

4. Where the Commission considers that the conditions laid down in this Subsection are not met, it shall, by means of ~~an~~ implementing act***s***, decide to reject the application.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 75

Objection procedure

Within two months from the date of the publication of the single document as referred to in point (d) of Article 71(1), any Member State or third country, or any natural or legal person having a legitimate interest, resident or established in a Member State other than that applying for the protection or in a third country, may object to the proposed protection by submitting to the Commission a duly substantiated statement concerning the conditions of eligibility as laid down in this Subsection.

In case of natural or legal persons resident or established in third countries, such statement shall be submitted, either directly or via the authorities of the third country concerned, within the two months time limit referred to in the first paragraph.

Article 76

Decision on protection

On the basis of the information available to the Commission upon the completion of the objection procedure referred to in Article 75, the Commission shall, by means of ~~**an**~~ implementing act***s***, decide either to confer protection on the designation of origin or geographical indication which meets the conditions laid down in this Subsection and is compatible with Union law, or to reject the application where those conditions are not satisfied.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 77

Homonyms

1. A name~~,~~ for which an application is submitted~~,~~ and which is wholly or partially homonymous with ~~**that of**~~ a name already registered under this Regulation~~,~~ shall be registered with due regard for local and traditional usage and for any risk of confusion.

   A homonymous name which misleads the consumer into believing that products come from another territory shall not be registered even if the name is accurate as far as the actual territory, region or place of origin of those products is concerned.

   ~~**The use of a**~~ ***A*** registered homonymous name ~~**shall be subject to there being**~~ ***may be used only if there is*** a sufficient distinction in practice between the homonym registered subsequently and the name already in the register, having regard to the need to treat the producers concerned in an equitable manner and the need not to mislead the consumer.

2. Paragraph 1 shall apply *mutatis mutandis* if a name~~,~~ for which an application is submitted~~,~~ is wholly or partially homonymous with a geographical indication protected under the legislation of Member States.

3. Where the name of a wine grape variety contains or consists of a protected designation of origin or a protected geographical indication, that name shall not be used for the purposes of labelling agricultural products. ***In order to take into account existing labelling practices, t*~~T~~**he Commission ~~**may by means of**~~ ***shall be empowered to adopt*** delegated acts ~~**adopted**~~ in accordance with Article 160 ***laying down exceptions from that rule*** ~~**decide otherwise, taking into account the existing labelling practices**~~.

4. The protection of designations of origin and geographical indications of products covered by Article 70 shall be without prejudice to protected geographical indications applying to spirit drinks as defined in Article 2 of Regulation (EC) No 110/2008 of the European Parliament and of the Council[1].

Article 78

Grounds for refusal of protection

1. A name that has become generic shall not be protected as a designation of origin or a geographical indication. For the purposes of this Section, a "name that has become generic" ~~**shall**~~ mean***s*** the name of a wine which, although it relates to the place or the region where this product was originally produced or marketed, has become the common name of a wine in the Union.

   To establish whether or not a name has become generic, the relevant factors shall be taken into account, in particular:

   (a) the existing situation in the Union, notably in areas of consumption;

   (b) the relevant Union or national legislation.

2. A name shall not be protected as a designation of origin or geographical indication where, in the light of a trade mark's reputation and renown, protection could mislead the consumer as to the true identity of the wine.

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[1] ***Regulation (EC) No 110/2008 of the European Parliament and of the Council of 15 January 2008 on the definition, description, presentation, labelling and the protection of geographical indications of spirit drinks (***OJ L 39, 13.2.2008, p. 16***)***.

Article 79

Relationship with trade marks

1. ~~Where~~ ***The registration of a trade mark which contains or consists of*** a ***protected*** designation of origin or a geographical indication ***which does not conform with the product specification concerned,*** ~~**is protected under this Regulation, the registration of a trade mark**~~ ***or*** the use of which falls under Article 80(2) and relating to a product falling under one of the categories listed in Part II of Annex VI shall be***:***

   (a) refused if the application for registration of the trade mark is submitted after the date of submission of the application for protection of the designation of origin or geographical indication to the Commission and the designation of origin or geographical indication is subsequently protected***, or***

   (b) invalidated.

   ~~**Trade marks registered in breach of the first subparagraph shall be invalidated.**~~

2. Without prejudice to Article 78(2), a trade mark ***as referred to in paragraph 1*** ~~**the use of which falls under Article 80(2)**~~, which has been applied for, registered or established by use ***in good faith***, if that possibility is provided for by the legislation concerned, in the territory of the Union ***either*** before the date ***of*** ~~**on which the application for**~~ protection of the designation of origin or geographical indication ***in the country of origin, or before 1 January 1996*** ~~**is submitted to the Commission**~~, may continue to be used and renewed notwithstanding the protection of a designation of origin or geographical indication, provided that no grounds for the trade mark's invalidity or revocation exist under Directive 2008/95/EC of the European Parliament and of the Council ~~**of 22 October 2008 to approximate the laws of the Member States relating to trade marks**~~ [1] or by Council Regulation (EC) No 207/2009 ~~**of 26 February 2009 on the Community trade mark**~~ [2].

   In such cases the use of the designation of origin or geographical indication shall be permitted alongside the relevant trade marks.

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[1] ***Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (***OJ L 299, 8.11.2008, p. 25***)***.

[2] ***Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (***OJ L 78, 24.3.2009, p. 1***)***.

Article 80

Protection

1. A protected designation of origin and a protected geographical indication may be used by any operator marketing a wine which has been produced in conformity with the corresponding product specification.

2. A protected designation of origin and a protected geographical indication and the wine using that protected name in conformity with the product specifications shall be protected against:
   (a) any direct or indirect commercial use of that protected name:
      (i) by comparable products not complying with the product specification of the protected name; or
      (ii) in so far as such use exploits the reputation of a designation of origin or a geographical indication;
   (b) any misuse, imitation or evocation, even if the true origin of the product or service is indicated or if the protected name is translated, transcripted or transliterated or accompanied by an expression such as “style”, “type”, “method”, “as produced in”, “imitation”, “flavour”, “like” or similar;
   (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the wine product concerned, and the packing of the product in a container liable to convey a false impression as to its origin;
   (d) any other practice liable to mislead the consumer as to the true origin of the product.

3. Protected designations of origin and protected geographical indications shall not become generic in the Union within the meaning of Article 78(1).

Article 81

Register

The Commission shall establish and maintain an electronic register of protected designations of origin and protected geographical indications for wine which shall be publicly accessible. Designations of origin and geographical indications pertaining to products of third countries that are protected in the Union pursuant to an international agreement to which the Union is a contracting party may be entered in the ~~**R**~~***r***egister. Unless specifically identified in that agreement as protected designations of origin within the meaning of this Regulation, such names shall be entered in the register as protected geographical indications.

Article 82

Amendments to product specifications

An applicant satisfying the conditions laid down ~~**pursuant to point (b) of Article 86(4)**~~ ***in Article 72*** may apply for approval of an amendment to the product specification of a protected designation of origin or ***of*** a protected geographical indication, in particular to take account of developments in scientific and technical knowledge or to ~~**redefine**~~ ***redemarcate*** the geographical area ~~**concerned**~~ ***referred to in point (d) of the second subparagraph of Article 71(2)***. Applications shall describe and ~~**give**~~ ***state*** reasons for the amendments requested.

Article 83

Cancellation

The Commission may, on its own initiative or on a duly substantiated request by a Member State, a third country or a natural or legal person having a legitimate interest, by means of ~~**an**~~ implementing act***s***, decide to cancel the protection of a designation of origin or a geographical indication if compliance with the corresponding product specification is no longer ensured.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 84

Existing protected wine names

1. Wine names~~, which are protected in accordance with~~ ***referred to in*** Articles 51 and 54 of Council Regulation (EC) No 1493/1999[1] and Article 28 of Commission Regulation (EC) No 753/2002[2]~~,~~ shall ***be*** automatically ~~be~~ protected under this Regulation. The Commission shall list them in the register provided for in Article 81 of this Regulation.

2. The Commission shall take the corresponding formal step of removing wine names to which Article ~~191(3) of Regulation (EU) No [COM(2010)799]~~ ***118s(3) of Regulation (EC) No 1234/2007*** applies from the register provided for in Article 81 ***of this Regulation*** by means of implementing acts ***adopted without applying the procedure referred to in Article 162(2) or (3) of this Regulation***.

3. Article 83 shall not apply to existing protected wine names referred to in paragraph 1 of this Article.

   Until 31 December 2014 the Commission may, on its own initiative, by means of implementing acts, decide to cancel protection of existing protected wine names referred to in paragraph 1 of this Article if they do not meet the conditions laid down in Article 70.

   Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

4. For Croatia, the wine names published in the Official Journal of the European Union[3] shall be protected under this Regulation, subject to a favourable outcome of the objection procedure. The Commission shall list them in the register provided for in Article 81.

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[1] ***Council Regulation (EC) No 1493/1999 of 17 May 1999 on the common organisation of the market in wine (***OJ L 179, 14.7.1999, p. 1***)***.

[2] ***Commission Regulation (EC) No 753/2002 of 29 April 2002 laying down certain rules for applying Council Regulation (EC) No 1493/1999 as regards the description, designation, presentation and protection of certain wine sector products (***OJ L 118, 4.5.2002, p. 1***)***.

[3] ***OJ C 116, 14.4.2011, p. 12.***

Article 85

Fees

Member States may charge fees to cover their costs, including those incurred in examining the applications for protection, statements of objections, applications for amendments and requests for cancellations under this Subsection.

Article 86

Delegated powers

~~**1. The Commission shall be empowered to adopt delegated acts in accordance with Article 160 to provide for measures listed in paragraphs 2 to 5 of this Article.**~~

2. ~~**Taking**~~ ***In order to take*** into account ~~**of**~~ the specificities of the production in the demarcated geographical area, the Commission ~~**may, by means of**~~ ***shall be empowered to adopt*** delegated acts ***in accordance with Article 160***~~**, adopt**~~ ***on***:
   (a) the ~~**principles**~~ ***additional criteria*** for the demarcation of the geographical area, and
   (b) the ~~**definitions,**~~ restrictions and derogations concerning the production in the demarcated geographical area.

3. ~~**Taking into account the need**~~ ***In order*** to ensure product quality and traceability, the Commission ~~**may, by means of**~~ ***shall be empowered to adopt*** delegated acts ***in accordance with Article 160***~~**, provide for**~~ ***laying down*** the conditions under which product specifications may include additional requirements.

4. ~~**Taking into account the need**~~ ***In order*** to ensure the legitimate rights and interests of producers or operators, the Commission ~~**may, by means of**~~ ***shall be empowered to adopt*** delegated acts ***in accordance with Article 160***~~**, adopt rules**~~ on:
   ~~**(a) the elements of the product specification;**~~
   (b) the type of applicant that may apply for the protection of a designation of origin or geographical indication;

(c) the conditions to be followed in respect of an application for the protection of a designation of origin or geographical indication, ~~**preliminary national procedures,**~~ scrutiny by the Commission, objection procedure, and procedures for amendment, cancellation and conversion of protected designations of origin or protected geographical indications;

(d) the conditions applicable to trans-border applications;

(e) the conditions for applications concerning geographical areas in a third country;

(f) the date from which a protection or an amendment of a protection shall apply;

(g) the conditions related to amendments to product specifications.

5. ~~**Taking into account the need**~~ ***In order*** to ensure an adequate protection, the Commission ~~**may, by means of**~~ ***shall be empowered to adopt*** delegated acts~~**, adopt**~~ ***in accordance with Article 160 on*** restrictions regarding the protected name.

6. ~~**Taking into account the need**~~ ***In order*** to ensure that economic operators and competent authorities are not prejudiced by the application of this Subsection as regards wine names which have been granted protection prior to 1 August 2009 or for which an application for protection has been made prior to that date, the Commission ~~**may, by means of**~~ ***shall be empowered to adopt*** delegated acts ***in accordance with Article 160~~, on~~*** ~~**adopt**~~ transitional provisions concerning:

(a) wine names recognised by Member States as designations of origin or geographical indications by 1 August 2009 and wine names for which an application for protection has been made prior to that date;

~~**(b) preliminary national procedure;**~~

(c) wines placed on the market or labelled before a specific date; and

(d) amendments to the product specifications.

Article 87

Implementing powers

1. The Commission may, by means of implementing acts, adopt necessary measures concerning:
   (a) the information to be provided in the product specification with regard to the link between the geographical area and the final product;
   (b) the making of decisions on protection or rejection available to the public;
   (c) the establishment and the maintenance of the register referred to in Article 81;
   (d) the conversion from protected designation of origin to protected geographical indication;
   (e) the submission of trans-border applications.

   Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

2. The Commission may, by means of implementing acts, adopt necessary measures concerning the procedure for the examination of applications for protection or for the approval of an amendment of a designation of origin or a geographical indication, as well as the procedure, for requests for objection, cancellation, or conversion, and the submission of information related to existing protected wine names, in particular with respect to:
   (a) models for documents and the transmission format;
   (b) time limits;
   (c) the details of the facts, evidence and supporting documents to be submitted in support of an application or a request.

   Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 88

Other implementing powers

Where an objection is deemed inadmissible, the Commission shall, by means of implementing acts ***adopted without applying the procedure referred to in Article 162(2) or (3)***, decide to reject it as inadmissible.

SUBSECTION 3

TRADITIONAL TERMS

Article 89

Definition

1. "A traditional term" shall mean a term traditionally used in Member States for the products referred to in Article 69(1) to designate:

(a) that the product has a protected designation of origin or a protected geographical indication under Union or national law; or

(b) the production or ageing method or the quality, colour, type of place, or a particular event linked to the history of the product with a protected designation of origin or a protected geographical indication.

1a. Traditional terms shall be protected only in the language and for the categories of grape vine products claimed in the application, against:

(a) any misuse of the protected term, including where it is accompanied by an expression such as 'style', 'type', 'method', 'as produced in', 'imitation', 'flavour', 'like' or similar;

(b) any other false or misleading indication as to the nature, characteristics or essential qualities of the product, placed on the inner or outer packaging, advertising material or documents relating to it;

(c) any other practice likely to mislead the consumer, in particular to give the impression that the wine qualifies for the protected traditional term.

Article 90

Protection

1. A protected traditional term may only be used for a product which has been produced in conformity with the definition ~~**referred to**~~ ***provided for*** in Article 89***(1)***.

Traditional terms shall be protected against unlawful use.

~~**Member States shall take the steps necessary to stop the unlawful use of protected traditional terms.**~~

2. Traditional terms shall not become generic in the Union.

Article 91

Delegated powers

~~**1. The Commission shall be empowered to adopt delegated acts in accordance with Article 160 to provide for measures listed in paragraphs 2 to 4 of this Article.**~~

2. ~~**Taking into account the need**~~ ***In order*** to ensure an adequate protection, the Commission ~~**may, by means of**~~ ***shall be empowered to adopt*** delegated acts~~**, adopt provisions**~~ regarding the language and the spelling of the term to be protected.

3. ~~**Taking into account the need**~~ ***In order*** to ensure the legitimate rights and interests of producers or operators, the Commission ~~**may, by means of**~~ ***shall be empowered to adopt*** delegated acts ***in accordance with Article 160~~**,**~~*** establish***ing*** ~~**the follow**~~ing:

(a) ***the type of*** ~~**the**~~ applicants that may apply for the protection of a traditional term;

(b) the conditions of validity of an application for recognition of a traditional term;

(c) the grounds for objecting to a proposed recognition of a traditional term;

(d) the scope of the protection, the relationship with trade marks, protected traditional terms, protected designations of origin or geographical indications, homonyms, or certain wine grape names;

(e) the grounds for cancellation of a traditional term;

(f) the date of submission of an application or a request;

(g) the procedures to be followed in respect of an application for the protection of a traditional term, including scrutiny by the Commission, objection procedures and the procedures on cancellation and modification.

4. ~~Taking~~ ***In order to take*** into account the specificities in trade between the Union and certain third countries, the Commission ~~may, by means of~~ ***shall be empowered to adopt*** delegated acts ***in accordance with Article 160,*** ~~adopt~~ ***laying down*** the conditions under which traditional terms may be used on products from third countries and provid***ing***~~e~~ for derogations from Article 89.

Article 92

Implementing powers in accordance with the examination procedure

1. The Commission may, by means of implementing acts, adopt necessary measures concerning the procedure for the examination of applications for protection or for the approval of a modification of a traditional term, as well as the procedure for requests for objection or cancellation, in particular with respect to:
   (a) models for documents and the transmission format;
   (b) time limits;
   (c) the details of the facts, evidence and supporting documents to be submitted in support of the application or request;
   (d) detailed rules on making protected traditional terms available to the public.

2. The Commission shall, by means of implementing acts, decide to accept or reject an application for protection of a traditional term or a request for a modification of the protected term or the cancellation of the protection of a traditional term.

3. The Commission shall, by means of implementing acts, provide for the protection of traditional terms for which the application for protection has been accepted, in particular by classifying them in accordance with Article 89 and by publishing a definition and/or the conditions of use.

4. The implementing acts referred to in paragraphs 1***, 2 and*** ~~to~~ 3 of this Article shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 93

Other implementing powers

Where an objection is deemed inadmissible, the Commission shall, by means of implementing acts ***adopted without applying the procedure referred to in Article 162(2) or (3)***, decide to reject it as inadmissible.

SECTION 3

LABELLING AND PRESENTATION IN THE WINE SECTOR

Article 94

Definition

For the purposes of this Section:

(a) "labelling" shall mean any words, particulars, trade marks, brand name, pictorial matter or symbol placed on any packaging, document, notice, label, ring or collar accompanying or referring to a given product;

(b) "presentation" shall mean any information conveyed to consumers by virtue of the packaging of the product concerned, including the form and type of bottles.

Article 95

Applicability of horizontal rules

Save as otherwise provided for in this Regulation, Directive 2008/95/EC, Council Directive 89/396/EEC[1], Directive 2000/13/EC ~~**of the European Parliament and of the Council**~~[2] and Directive 2007/45/EC of the European Parliament and of the Council[3] shall apply to the labelling and presentation.

The labelling of the products referred to in points 1 to 11, 13, 15 and 16 of Part II of Annex VI may not be supplemented by any particulars other than those provided for in this Regulation unless those particulars satisfy the requirements of Directive 2000/13/EC ~~***of the European Parliament and of the Council of 20 March 2000 on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs***~~**.**

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1 ***Council Directive 89/396/EEC of 14 June 1989 on indications or marks identifying the lot to which a foodstuff belongs (***OJ L 186, 30.6.1989, p. 21***)***.

2 ~~**OJ L 109, 6.5.2000, p. 29.**~~

3 ***Directive 2007/45/EC of the European Parliament and of the Council of 5 September 2007 laying down rules on nominal quantities for prepacked products, repealing Council Directives 75/106/EEC and 80/232/EEC, and amending Council Directive 76/211/EEC (***OJ L 247, 21.9.2007, p. 17***)***.

Article 96

Compulsory particulars

1. Labelling and presentation of the products referred to in points 1 to 11, 13, 15 and 16 of Part II of Annex VI marketed in the Union or for export shall contain the following compulsory particulars:
   (a) the designation for the category of the grapevine product in accordance with Part II of Annex VI;
   (b) for wines with a protected designation of origin or a protected geographical indication:
      (i) the term "protected designation of origin" or "protected geographical indication"; and
      (ii) the name of the protected designation of origin or the protected geographical indication;
   (c) the actual alcoholic strength by volume;
   (d) an indication of provenance;
   (e) an indication of the bottler or, in the case of sparkling wine, aerated sparkling wine, quality sparkling wine or quality aromatic sparkling wine, the name of the producer or vendor;
   (f) an indication of the importer in the case of imported wines; and
   (g) in the case of sparkling wine, aerated sparkling wine, quality sparkling wine or quality aromatic sparkling wine, an indication of the sugar content.

2. By way of derogation from point (a) of paragraph 1, the reference to the category of the grapevine product may be omitted for wines whose labels include the name of a protected designation of origin or a protected geographical indication.

3. By way of derogation from point (b) of paragraph 1, the reference to the terms "protected designation of origin" or "protected geographical indication" may be omitted in the following cases:
   (a) where a traditional term ***in accordance with point (a) of*** ~~**as referred to**~~ Article 89***(1)***~~**(a)**~~ is displayed on the label ***in accordance with the product specification referred to in Article 71(2)***;

(b) in exceptional and duly justified circumstances to be determined by the Commission by means of delegated acts adopted in accordance with Article 160 ~~**taking into account the need**~~ ***in order*** to ensure compliance with existing labelling practices.

Article 97

Optional particulars

1. Labelling and presentation of the products referred to in points 1 to 11, 13, 15 and 16 of Part II of Annex VI may in particular contain the following optional particulars:
   (a) the vintage year;
   (b) the name of one or more wine grape varieties;
   (c) in the case of wines other than those referred to in point (g) of Article 96(1), terms indicating the sugar content;
   (d) for wines with a protected designation of origin or a protected geographical indication, traditional terms ~~**as referred to**~~ in ***accordance with*** point (b) of Article 89***(1)***;
   (e) the Union symbol indicating the protected designation of origin or the protected geographical indication;
   (f) terms referring to certain production methods;
   (g) for wines bearing a protected designation of origin or a protected geographical indication, the name of another geographical unit that is smaller or larger than the area underlying the designation of origin or geographical indication.

2. Without prejudice to Article 77(3), as regards the use of particulars referred to in points (a) and (b) of paragraph 1 of this Article for wines without a protected designation of origin or a protected geographical indication:
   (a) Member States shall introduce laws, regulations or administrative provisions to ensure certification, approval and verification procedures so as to guarantee the veracity of the information concerned;

(b) Member States may, on the basis of non-discriminatory and objective criteria and with due regard to loyal competition, for wine produced from wine grape varieties on their territory, draw up lists of excluded wine grape varieties, in particular if:

(i) there is a risk of confusion for consumers as to the true origin of the wine due to the fact that the wine grape variety forms an integral part of an existing protected designation of origin or a protected geographical indication;

(ii) checks would not be cost effective due to the fact that the given wine grape variety represents a very small part of the Member State vineyard;

(c) mixtures of wines from different Member States shall not give rise to labelling of the wine grape variety unless the Member States concerned agree otherwise and ensure the feasibility of the relevant certification, approval and verification procedures.

Article 98

Languages

1. The compulsory and optional particulars referred to in Articles 96 and 97 shall, where expressed in words, appear in one or more official language of the Union.

2. Notwithstanding paragraph 1, the name of a protected designation of origin or a protected geographical indication or a traditional term as referred to in ***point (b) of*** Article 89(***1b***~~b~~) shall appear on the label in the language or languages for which the protection applies. In the case of a protected designation of origin or a protected geographical indication or a national specific designation using a non-Latin alphabet, the name may also appear in one or more official languages of the Union.

Article 99

Delegated powers

~~**1. The Commission shall be empowered to adopt delegated acts in accordance with Article 160 to provide for measures listed in paragraphs 2 to 6 of this Article.**~~

2. ***In order to take*** ~~**Taking**~~ into account ~~**the need to ensure the conformity with horizontal rules related to labelling and presentation, and to consider**~~ the specificities of the wine sector, the Commission ~~**may, by means of delegated acts, adopt**~~ ***shall be empowered to adopt delegated acts in accordance with Article 160 concerning*** ~~**definitions,**~~ rules and restrictions on:

(a) the presentation and use of labelling particulars other than those provided for in this Section;

(b) compulsory particulars concerning:

(i) terms to be used to formulate the compulsory particulars and their conditions of use;

(ii) terms referring to a holding and the conditions for their use;

(iii) provisions allowing the producing Member States to establish additional rules relating to compulsory particulars;

(iv) provisions allowing further derogations in addition to those referred to in Article 96(2) as regards the omission of the reference to the category of the grapevine product; and

(v) provisions on the use of languages;

(c) optional particulars concerning:

(i) terms to be used to formulate the optional particulars and their conditions of use;

(ii) provisions allowing the producing Member States to establish additional rules relating to optional particulars;

(d) the presentation concerning:

(i) the conditions of use of certain bottle shapes, and a list of certain specific bottle shapes;

(ii) the conditions of use of "sparkling wine"-type bottles and closures;

(iii) provisions allowing the producing Member States to establish additional rules relating to presentation;

(iv) provisions on the use of languages.

~~**3. Taking into account the need to ensure the efficiency of the certification, approval and verification procedures provided for in this Section, the Commission may, by means of delegated acts, adopt the necessary measures**~~.

4. ~~**Taking into account the need**~~ ***In order*** to ensure the legitimate interests of operators, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160 concerning*** ~~**may, by means of delegated acts, adopt**~~ rules as regards temporary labelling and presentation of wines bearing a designation of origin or a geographical indication, where that designation of origin or geographical indication meets the necessary requirements.

5. ~~**Taking into account the need**~~ ***In order*** to ensure that economic operators are not prejudiced, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160 concerning*** ~~**may, by means of delegated acts, adopt**~~ transitional provisions as regards wine placed on the market and labelled ***in accordance with the relevant rules applying*** before 1 August 2009.

6. ~~**Taking into account**~~ ***In order*** ~~**the need**~~ to take account of the specificities in trade between the Union and certain third countries, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160 concerning*** ~~**may, by means of delegated acts, adopt**~~ derogations from this Section as regards ~~**trade between the Union and certain third countries**~~ ***products to be exported where required by the legislation of the third country concerned***.

Article 100

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts, adopt necessary measures concerning ***the*** procedures and technical criteria ***applicable to this Section, including the necessary measures for the certification, approval and verification procedures applicable to wines without a protected designation of origin or a protected geographical indication***. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

CHAPTER II

SPECIFIC PROVISIONS FOR INDIVIDUAL SECTORS

SECTION 1

SUGAR

Article 100a

Duration

With the exceptions of Articles 101 and 101-a, this section shall apply until the end of the 2016/2017 marketing year.

SUBSECTION I

SPECIFIC MEASURES

Article 101

Sugar sector agreements

1. The terms for buying sugar beet and sugar cane, including pre-sowing delivery ~~**agreements**~~ ***contracts***, shall be governed by written agreements within the trade concluded between***, on the one hand,*** Union growers of sugar beet and sugar cane ***or, on their behalf, the organisations of which they are members,*** and***, on the other hand,*** Union sugar undertakings ***or, on their behalf, the organisations of which they are members***.

2. ~~**Taking into account the specificities of the sugar sector, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 on the conditions of the agreements referred to in paragraph 1 of this Article.**~~
Agreements within the trade shall be notified by sugar undertakings to the competent authorities of the Member State in which they produce sugar.

3. From 1 October 2017, agreements within the trade shall conform to the purchase terms laid down in Annex IIIe.

4. In order to take into account the specific characteristics of the sugar sector and the development of the sector in the period following the ending of production quotas, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 to:

(a) update the terms referred to in Section A of Part 1a of Annex II;

(b) update the purchase terms for agreements within the trade laid down in Annex IIIe;

(c) lay down further rules on the determination of gross weight, tare and sugar content of sugar delivered to an undertaking and on sugar pulp.

5. The Commission may adopt implementing acts in accordance with the examination procedure referred to in Article 162(2) on the implementation of this Article, including in respect of procedures, notifications and administrative assistance in the case of agreements within the trade covering more than one Member State.

Article 101-a

Price reporting in the sugar market

The Commission may adopt implementing acts establishing a system for reporting sugar market prices, including arrangements for publishing the price levels for this market. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

The system referred to in the first subparagraph shall be based on information submitted by undertakings producing white sugar or by other operators involved in the sugar trade. This information shall be treated as confidential.

The Commission shall ensure that specific prices or names of individual economic operators are not published.

SUBSECTION II

REQUIREMENTS APPLYING TO THE SUGAR SECTOR DURING THE PERIOD REFERRED TO IN ARTICLE 100a

Article 101a

Delivery contracts

1. Article 101(1) shall apply. Agreements within the trade shall conform to the purchase terms laid down in Annex IIId.

1a. In delivery contracts, a distinction shall be made depending on whether the quantities of sugar to be manufactured from sugar beet will be:

(a) quota sugar; or

(b) out-of-quota sugar.

2. Each sugar undertaking shall provide the Member State in which it produces sugar with the following information:

(a) the quantities of beet referred to in point (a) of paragraph 2a for which they have concluded pre-sowing delivery contracts and the sugar content on which those contracts are based;

(b) the corresponding estimated yield.

Member States may require additional information.

3. Sugar undertakings which have not signed pre-sowing delivery contracts at the minimum price for quota beet, as provided for in Article 101g, for a quantity of beet equivalent to the sugar for which they hold a quota, adjusted, as the case may be, by the coefficient for a preventive withdrawal fixed pursuant to the first subparagraph of Article 101d(2), shall be required to pay at least the minimum price for quota beet for all the sugar beet they process into sugar.

4. Subject to the approval of the Member State concerned, agreements within the trade may derogate from paragraphs 1a, 2 and 3.

5. If no agreements within the trade exist, the Member State concerned shall take the necessary steps compatible with this Regulation to protect the interests of the parties concerned.

Article 101b

Production charge

1. A production charge shall be levied on the sugar quota, the isoglucose quota and the inulin syrup quota held by undertakings producing sugar, isoglucose or inulin syrup as referred to in Article 101h(2).

2. Measures on the fixing of production charge for quota sugar, quota inulin syrup and isoglucose referred to in paragraph 1 shall be taken by the Council in accordance with Article 43(3) of the Treaty.

Article 101c

Production refund

1. A production refund may be granted, until the end of the 2016/2017 marketing year, on the products of the sugar sector listed in points (b) to (e) of Part III of Annex I if surplus sugar or imported sugar, surplus isoglucose or surplus inulin syrup is not available at a price corresponding to the world price for the manufacturing of the products referred to in Article 101l(2)(b) and (c).

2. Measures on the fixing of the production refund referred to in paragraph 1 shall be taken by the Council in accordance with Article 43(3) of the Treaty.

Article 101d

Withdrawal of sugar

1. To avoid price collapses in the internal market and to remedy situations of overproduction based on the forecast supply balance, and taking into account the commitments of the Union resulting from international agreements concluded in accordance with the Treaty, the Commission may adopt implementing acts, containing decisions to withdraw from the market, for a given marketing year, those quantities of sugar or isoglucose produced under quotas which exceed the threshold calculated in accordance with paragraph 2 of this Article.

2. The withdrawal threshold referred to in paragraph 1 shall be calculated, for each undertaking holding a quota, by multiplying its quota by a coefficient. The Commission may adopt implementing acts fixing that coefficient no later than 28 February of the previous marketing year, on the basis of expected market trends.

On the basis of updated market trends, the Commission may, by 31 October of the marketing year concerned, adopt implementing acts containing its decision either to adjust or, in the case where no coefficient has been fixed pursuant to the first subparagraph, to fix a coefficient.

3. Each undertaking provided with a quota shall store at its own expense until the beginning of the following marketing year the sugar produced under quota beyond the threshold calculated in accordance with paragraph 2. The sugar, isoglucose or inulin syrup quantities withdrawn during a marketing year shall be treated as the first quantities produced under quota for the following marketing year.

By way of derogation from the first subparagraph, taking into account the expected sugar market trends, the Commission may adopt implementing acts containing its decision to consider, for the current, the following or both marketing years, all or part of the withdrawn sugar, isoglucose or inulin syrup as:

(a) surplus sugar, isoglucose or inulin syrup available to become industrial sugar, industrial isoglucose or industrial inulin syrup; or

(b) temporary quota production of which a part may be reserved for export respecting the commitments of the Union resulting from international agreements concluded in accordance with the Treaty.

4. If sugar supply in the Union is inadequate, the Commission may adopt implementing acts containing its decision allowing a certain quantity of withdrawn sugar, isoglucose or inulin syrup may be sold on the Union market before the end of the period of withdrawal.

5. In the case where withdrawn sugar is treated as the first sugar production of the following marketing year, the minimum price of that marketing year shall be paid to beet growers.

In the case where withdrawn sugar becomes industrial sugar or is exported in accordance with points (a) and (b) of paragraph 3 of this Article, the requirements of Article 101g on the minimum price shall not apply.

In the case where withdrawn sugar is sold on the Union market before the end of the period of withdrawal in accordance with paragraph 4 of this Article, the minimum price of the ongoing marketing year shall be paid to beet growers.

6. Implementing acts pursuant to this Article shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 101da

Temporary market management mechanism

1. For the duration of the period referred to in Article 100a, the Commission may, by means of implementing acts, take the measures necessary in order to ensure a sufficient supply of sugar to the Union market. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Such measures may adjust, for the quantity and time necessary, the level of the duty payable on imported raw sugar.[1]

2. The Commission shall, by means of implementing acts, determine the appropriate quantity of out-of-quota sugar and imported raw sugar that can be released onto the Union market. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 101e

Delegated powers

In order to take into account the special characteristics of the sugar sector and to ensure that the interests of all parties are duly taken into account, and given the need to prevent any disturbance of the market, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 concerning:

(a) delivery contracts and purchase terms referred to Article 101a(1);

(a1) updating the purchase terms for agreements within the trade laid down in Annex IIId;

(b) the criteria to be applied by the sugar undertakings when allocating among beet sellers the quantities of beet to be covered by pre-sowing delivery contracts as referred to in Article 101(2b).

[1] *<u>Note to delegations</u>: on the use of the surplus levy, to be covered by Council "fixing" Regulation under Article 43(3) TFEU.*

Article 101ea

Implementing powers in accordance with the examination procedure

The Commission may, by means of implementing acts, adopt the measures necessary for the application of this Subsection concerning procedures, content and technical criteria.

Those implementing acts shall be adopted in accordance with examination procedure referred to in Article 162(2).

SUBSECTION IIa

SYSTEM OF PRODUCTION REGULATION

Article 101f

Quotas in the sugar sector

1. A quota system shall apply to sugar, isoglucose and inulin syrup.

2. As regards the quota systems referred to in paragraph 1 of this Article, if a producer exceeds the relevant quota and does not make use of the surplus quantities as provided for in Article 101k, a surplus levy shall be payable on such quantities, subject to the conditions set out in Articles 101k to 101n.

Article 101g

Minimum beet price

The minimum price for quota beet shall be fixed by the Council in accordance with Article 43(3) of the Treaty.

Article 101h

Quota allocation[1]

1. The quotas for the production of sugar, isoglucose and inulin syrup at national or regional level are fixed in Annex IIIbi.

2. The Member States shall allocate a quota to each undertaking producing sugar, isoglucose or inulin syrup established in its territory and approved under Article 101i.

For each undertaking, the allocated quota shall be equal to the quota under Regulation (EC) No 1234/2007 which was allocated to the undertaking for the marketing year 2010/2011.

[1] *<u>Note to delegations</u>: former Article 101j on the Adjustment of the national quotas to be covered by Council "fixing" Regulation under Article 43(3) TFEU.*

3. Where a quota is allocated to a sugar undertaking having more than one production unit, the Member States shall adopt the measures they consider necessary in order to take due account of the interests of sugar beet and cane growers.

Article 101i

Approved undertakings

1. On request, Member States shall grant approval to an undertaking producing sugar, isoglucose or inulin syrup or to an undertaking that processes these products into a product included in the list referred to in Article 101l(2) provided that the undertaking:

(a) proves its professional production capacities;

(b) agrees to provide any information and to be subject to controls related to this Regulation;

(c) is not subject to suspension or withdrawal of the approval.

2. The approved undertakings shall provide the Member State in whose territory the harvest of beet, cane or the refining takes place, with the following information:

(a) the quantities of beet or cane for which a delivery contract has been concluded, as well as the corresponding estimated yields of beet or cane, and sugar per hectare;

(b) data regarding provisional and actual sugar beet, sugar cane and raw sugar deliveries, and regarding sugar production and statements of sugar stocks;

(c) the quantities of white sugar sold and the corresponding prices and conditions.

Article 101j

National quota reallocation and reduction of quotas

1. A Member State may reduce the sugar or isoglucose quota that has been allocated to an undertaking established on its territory by up to 10%. In doing so, the Member States shall apply objective and non-discriminatory criteria.

2. Member States may transfer quotas between undertakings in accordance with the rules laid down in Annex IIIc and taking into consideration the interests of each of the parties concerned, particularly sugar beet and cane growers.

3. The quantities reduced pursuant to paragraphs 1 and 2 shall be allocated by the Member State in question to one or more undertakings on its territory, whether or not holding a quota.

Article 101k

Out-of-quota production

1. The sugar, isoglucose or inulin syrup produced during a marketing year in excess of the quota referred to in Article 101h may be:

(a) used for the processing of certain products as referred to in Article 101l;

(b) carried forward to the quota production of the next marketing year, in accordance with Article 101m;

(c) used for the specific supply regime for the outermost regions, in accordance with Chapter III of Regulation (EU) No 228/2013 of the European Parliament and of the Council;[1]

(d) exported within the quantitative limit fixed by the Commission by means of implementing acts, respecting the commitments resulting from international agreements concluded in accordance with the Treaty; or

(e) released onto the internal market, in compliance with the mechanism described in Article 101da for purposes of adjusting supply to demand on the basis of the forecast supply balance.

The measures referred to in this Article shall be implemented before any activation of the measures to prevent market disturbance referred to in Article 154(1).

Other quantities shall be subject to the surplus levy referred to in Article 101n.

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[1] *Regulation (EU) No 228/2013 of the European Parliament and of the Council of 13 March 2013 laying down specific measures for agriculture in the outermost regions of the Union and repealing Council Regulation (EC) No 247/2006 (OJ L 78, 20.3.2013, p. 23).*

2. Implementing acts pursuant to this Article shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 101l

Industrial sugar

1. Industrial sugar, industrial isoglucose or industrial inulin syrup shall be reserved for the production of one of the products referred to in paragraph 2 when:

(a) it has been subject to a delivery contract concluded before the end of the marketing year between a producer and a user which have both been granted approval in accordance with Article 101i; and

(b) it has been delivered to the user on 30 November of the following marketing year at the latest.

2. In order to take account of technical developments, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 establishing a list of products for the production of which industrial sugar, industrial isoglucose or industrial inulin syrup may be used.

The list shall, in particular, include:

(a) bioethanol, alcohol, rum, live yeast and quantities of syrups for spreading and those to be processed into "Rinse appelstroop";

(b) certain industrial products without sugar content but which are processed using sugar, isoglucose or inulin syrup;

(c) certain products of the chemical or pharmaceutical industry which contain sugar, isoglucose or inulin syrup.

Article 101m

Carry forward of surplus sugar

1. *Each undertaking may decide to carry forward all or part of its production in excess of its sugar quota, its isoglucose quota or its inulin syrup quota to be treated as part of the next marketing year's production. Without prejudice to paragraph 3, that decision shall be irrevocable.*

2. *Undertakings which take the decision referred to in paragraph 1 shall:*
   - *(a) inform the Member State concerned before a date to be determined by that Member State:*
     - *(i) between 1 February and 31 August of the current marketing year for quantities of cane sugar being carried forward;*
     - *(ii) between 1 February and 31 August of the current marketing year for other quantities of sugar or inulin syrup being carried forward;*
   - *(b) undertake to store such quantities at their own expense until the end of the current marketing year.*

3. *If an undertaking's definitive production in the marketing year concerned was less than the estimate made when the decision in accordance with paragraph 1 was taken, the quantity carried forward may be adjusted retroactively by 31 October of the following marketing year at the latest.*

4. *The quantities carried forward shall be deemed to be the first quantities produced under the quota of the following marketing year.*

5. *Sugar stored in accordance with this Article during a marketing year may not be subject to any other storage measures provided for in Articles 16 or 101d.*

Article 101n

Surplus levy

1. A surplus levy shall be levied on quantities of:

(a) surplus sugar, surplus isoglucose and surplus inulin syrup produced during any marketing year, except for quantities carried forward to the quota production of the following marketing year and stored in accordance with Article 101m or quantities referred to in points (c), (d) and (e) of Article 101k(1);

(b) industrial sugar, industrial isoglucose or industrial inulin syrup in respect of which no proof of use in one of the products referred to in Article 101l(2) has been supplied within a time limit to be fixed by the Commission by means of implementing acts adopted in accordance with the examination procedure referred to in Article 162(2);

(c) sugar, isoglucose and inulin syrup withdrawn from the market in accordance with Article 101m and for which the obligations provided for in Article 101d(3) are not met.

2. Measures on the fixing of a surplus levy referred to in paragraph 1 shall be taken by the Council in accordance with Article 43(3) of the Treaty.

Article 101o

Delegated powers

1. In order to ensure that undertakings referred to in Article 101i comply with their obligations, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 laying down rules on the granting and the withdrawal of approval for such undertakings, as well as the criteria for administrative penalties.

2. In order to take into account the special characteristics of the sugar sector and to ensure that the interests of all parties are duly taken into account, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 on the meaning of terms for the operation of the quota system, as well as laying down the conditions governing sales to outermost regions.

3. In order to ensure that the beet growers are closely associated with a decision to carry forward a certain quantity of production, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 laying down rules concerning carry-forward of sugar.

Article 101p

Implementing powers in accordance with the examination procedure

With regard to the undertakings referred to in Article 101(i), the Commission may adopt implementing acts, establishing rules concerning:

(a) applications for approval by undertakings, the records to be kept by approved undertakings, the information to be submitted by approved undertakings;

(b) the system of checks to be carried out by Member States on approved undertakings;

(c) Member States' communications with the Commission and with approved undertakings;

(d) the delivery to undertakings of raw materials, including delivery contracts and delivery notes;

(e) equivalence regarding sugar referred to in Article 101k(1)(a);

(f) the specific supply regime for the outermost regions;

(g) exports as referred to in Article 101k(1)(d);

(h) Member State cooperation to ensure effective checks;

(i) modifying the dates laid down in Article 101m;

(j) the establishment of the surplus quantity, the communications and payment of the surplus levy referred to in Article 101n.

(k) the adoption of a list of full-time refiners pursuant to Part Ia point 12 of Annex II.

Those implementing acts shall be adopted in accordance with examination procedure referred to in Article 162(2).

SECTION 2

WINE

Article 102

Vineyard register and inventory

1. Member States shall maintain a vineyard register which shall contain updated information on the production potential. ***After 1 January 2016 this obligation only applies if Member States implement the scheme of authorisations for vine plantings or a national support programme.***

2. ***Until 31 December 2015,*** Member States in which the total area planted with vines of wine grape varieties classified according to Article 63(2) is less than 500 hectares shall not be subject to the obligation laid down in paragraph 1 of this Article.

3. Member States~~,~~ which provide for restructuring and conversion of vineyards in their support programmes in accordance with Article 44~~,~~ shall, on the basis of the vineyard register, submit to the Commission by 1 March each year an updated inventory of their production potential. ***From 1 January 2016 the details on communications to the Commission regarding wine-growing areas shall be laid out by means of an implementing act adopted in accordance with the examination procedure referred to in Article 162(2).***

4. ~~**Taking into account the need**~~ ***In order*** to facilitate the monitoring and the verification of the production potential by Member States, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 concerning rules on the ~~**scope and**~~ content of the vineyard register and exemptions.

~~**5. After 1 January 2016, the Commission may, by means of an implementing act, decide that paragraphs 1 to 3 of this Article no longer apply. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 162(2).**~~

Article 102a

Competent national authorities for the wine sector

1. Without prejudice to any other provisions of this Regulation concerning the determination of competent national authorities, Member States shall designate one or more authorities which shall be responsible for ensuring compliance with Union rules in the wine sector. In particular, Member States shall designate the laboratories authorised to carry out official analyses in the wine sector. The designated laboratories shall meet the general criteria for the operation of testing laboratories set out in ISO/IEC 17025.

2. Member States shall inform the Commission of the names and addresses of the authorities and laboratories referred to in paragraph 1. The Commission shall make this information public and update it periodically.

Article 103

Accompanying documents and register

1. The products of the wine sector shall be put into circulation in the Union with an officially authorised accompanying document.

2. Natural or legal persons or groups of persons who hold products covered by the wine sector in the exercise of their trade, in particular producers, bottlers***,*** ~~**and**~~ processors~~**, as well as**~~ ***and*** merchants, shall keep inwards and outwards registers in respect of those products.

3. ~~**Taking into account the need**~~ ***In order*** to facilitate the transport of wine products and verification thereof by Member States, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 on:
   (a) rules on the accompanying document and its use;
   (b) the conditions under which an accompanying document is to be regarded as certifying protected designations of origin or geographical indications;
   (c) an obligation to keep a register and its use;
   (d) who shall keep a register and exemptions from the obligation to keep a register;
   (e) the operations to be included in the register.

4. The Commission may, by means of implementing acts, adopt:

(a) rules on the composition of the register, the products to be contained therein, deadlines for entries in registers and the closures of registers;

(b) measures requiring Member States to determine the maximum acceptable percentages for losses;

(c) general and transitional provisions for the keeping of registers;

(d) rules determining how long accompanying documents and registers shall be kept.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

SECTION 3

MILK AND MILK PRODUCTS

Article 104

Contractual relations in the milk and milk products sector

1. If a Member State decides that every delivery of raw milk ***in its territory*** by a farmer to a processor of raw milk must be covered by a written contract between the parties ***and/or decides that first purchasers must make a written offer for a contract for the delivery of raw milk by the farmers***, such contract ***and/or such an offer for a contract*** shall fulfil the conditions laid down in paragraph 2.

Where the Member State decides that deliveries of raw milk by a farmer to a processor of raw milk must be covered by a written contract between the parties ~~**In the case described in the first subparagraph, the Member State concerned**~~ ***it*** shall also decide ***which stage or stages of the delivery shall be covered by such a contract*** ~~**that**~~ if the delivery of raw milk is made through one or more collectors~~**., each stage of the delivery must be covered by such a contract between the parties. To this end**~~ ***For the purposes of this Article***, a "collector" means an undertaking which transports raw milk from a farmer or another collector to a processor of raw milk or another collector, where the ownership of the raw milk is transferred in each case.

2. The contract ***and/or the offer for a contract*** shall:
   (a) be ~~**concluded**~~ ***made*** in advance of the delivery,
   (b) be made in writing, and
   (c) include, in particular, the following elements:
      (i) the price payable for the delivery, which shall:
         - be static and be set out in the contract, and/or
         - ~~**vary only on**~~ ***be calculated by combining various*** factors ~~**which are**~~ set out in the contract, ***which may include*** ~~**in particular the development of the market situation based on**~~ market indicators ***reflecting changes in market conditions***, the volume delivered and the quality or composition of the raw milk delivered,

(ii) the volume ***of raw milk*** which may and/or ~~**shall**~~ ***must*** be delivered and the timing of ***such*** deliveries, ~~**and**~~

(iii) the duration of the contract, which may include ***either a definite or*** an indefinite duration with termination clauses~~.~~***,***

(iv) details regarding payment periods and procedures,

(v) arrangements for collecting or delivering raw milk, and

(vi) rules applicable in the event of force majeure.

3. By way of derogation from paragraph 1, a contract ***and/or an offer for a contract*** shall not be required where raw milk is delivered by a farmer to a ~~**processor of raw milk where the processor is a**~~ co-operative of which the farmer is a member if ~~**its**~~ ***the*** statutes ***of that cooperative or the rules and decisions provided for in or derived from these statutes*** contain provisions having similar effects ***to the provisions*** ~~**as those**~~ set out in points (a), (b) and (c) of paragraph 2.

4. All elements of contracts for the delivery of raw milk concluded by farmers, collectors or processors of raw milk, including th~~os~~e elements referred to in ***point (c) of*** paragraph 2~~**(c)**~~, shall be freely negotiated between the parties.

Notwithstanding the first subparagraph, one or both of the following shall apply:

(i) where a Member State decides to make written contracts for the delivery of raw milk compulsory in accordance with paragraph 1, it may establish a minimum duration, applicable only to written contracts between a farmer and the first purchaser of raw milk. Such a minimum duration shall be at least six months and shall not impair the proper functioning of the internal market;

(ii) where a Member State decides that the first purchaser of raw milk must make a written offer for a contract to the farmer in accordance with paragraph 1, it may provide that the offer must include a minimum duration for the contract, set by national law for this purpose. Such a minimum duration shall be at least six months and shall not impair the proper functioning of the internal market.

The second subparagraph shall be without prejudice to the farmer's right to refuse such a minimum duration provided that he does so in writing. In this case, the parties shall be free to negotiate all elements of the contract, including those elements referred to in point (c) of paragraph 2.

5. The Member States which make use of the options referred to in this Article shall notify the Commission of how they are applied.

6. ~~**In order to guarantee a uniform application of this Article, t***~~***T***he Commission may~~**, by means of** ***adopt*** implementing acts~~**, adopt necessary** ***laying down*** measures ***necessary for the uniform application of points (a) and (b) of paragraph 2 and paragraph 3 of this Article and measures relating to notifications to be made by the Member States in accordance with this Article***. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 105

Contractual negotiations in the milk and milk products sector

1. ***A producer organisation in the milk and milk products sector which is recognised under Article 106(2) may negotiate on behalf of its farmer members, in respect of part or all of their joint production, c***~~**C**~~ontracts for the delivery of raw milk by a farmer to a processor of raw milk, or to a collector within the meaning of the second subparagraph of Article 104(1)~~**, may be negotiated by a producer organisation in the milk and milk products sector which is recognised under Article 106, on behalf of its farmer members for part or all of their joint production**~~.

2. The negotiation***s*** by the producer organisation may take place:
   (a) whether or not there is a transfer of ownership of the raw milk by the farmers to the producer organisation,
   (b) whether or not the price negotiated is the same as regards the joint production of some or all of the farmer members,

(c) provided that***, for a particular producer organisation:***

(i) the ~~**total**~~ volume of raw milk covered by such negotiations ~~**by a particular producer organisation**~~ does not exceed~~**: (i)**~~ 3,5% of total Union production, and

(ii) ***the volume of raw milk covered by such negotiations which is produced in any particular Member State does not exceed*** 33% of the total national production of ~~**any particular**~~ ***that*** Member State ~~**covered by such negotiations by that producer organisation**~~, and

(iii) ***the volume of raw milk covered by such negotiations which is delivered in any particular Member State does not exceed*** 33% of the total ~~**combined**~~ national production of ~~**all the**~~ ***that*** Member State~~**s covered by such negotiations by that producer organisation**~~,

(d) provided ***that*** the farmers concerned are not members of any other producer organisation which also negotiates such contracts on their behalf***; however, Member States may derogate from this condition in duly justified cases where farmers hold two distinct production units located in different geographic areas;*** ~~**, and**~~

(e) provided that the raw milk is not covered by an obligation to deliver arising from the farmer's membership of a cooperative in accordance with the conditions set out in the cooperative's statutes or the rules and decisions provided for in or derived from these statutes; and

(***f*~~**e**~~) provided that the producer organisation notifies the competent authorities of the Member State or Member States in which it operates ***of the volume of raw milk covered by such negotiations***.

3. ***Notwithstanding the conditions set out in points (ii) and (iii) of point (c) of paragraph 2, a producer organisation may negotiate pursuant to paragraph 1, provided that, with regard to that producer organisation, the volume of raw milk covered by the negotiations which is produced in or delivered in a Member State having a total annual raw milk production of less than 500 000 tonnes does not exceed 45 % of the total national production of that Member State.***

~~3~~*4.* For the purposes of this Article, references to producer organisations ~~shall~~ also *include* ~~cover~~ associations of such producer organisations. ~~Taking into account the need to ensure that these associations may be appropriately monitored, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 concerning the conditions for recognition of such associations.~~

~~4~~*5*. ***For the purposes of applying point (c) of paragraph 2 and paragraph 3, the Commission shall publish, by such means as it considers appropriate, the amounts of raw milk production in the Union and the Member States using the most up-to-date information available.***

~~The decision referred to in the first subparagraph shall be taken by the Commission, by way of an implementing act, adopted in accordance with the advisory procedure referred to in Article 14 of Regulation (EC) No 1/2003 for negotiations covering the production of more than one Member State. In other cases it shall be taken by the national competition authority of the Member State the production of which is covered by the negotiations.~~

~~The decisions referred to in the first and second subparagraphs shall not apply earlier than the date of their notification to the undertakings concerned.~~

6. By way of derogation from ***point (c) of*** paragraph 2~~(c)(ii) and (iii)~~ ***and paragraph 3***, even where the threshold***s*** ~~of 33% is~~ ***set out therein are*** not exceeded, the competition authority referred to in the second subparagraph ***of this paragraph*** may decide in an individual case that ~~the~~ ***a particular*** negotiation by the producer organisation ***should either be reopened or should*** ~~may~~ not take place ***at all*** if it considers that this is necessary in order to prevent competition being excluded or in order to avoid serious***ly*** ~~*prejudice to*~~ ***damaging*** SME processors of raw milk in its territory.

For negotiations covering more than one Member State, the decision referred to in the first subparagraph shall be taken by the Commission without applying the procedure referred to in Article 162(2) or (3). ~~**The decision referred to in the first subparagraph shall be taken by the Commission, by way of an implementing act, adopted in accordance with the advisory procedure referred to in Article 14 of Regulation (EC) No 1/2003 for negotiations covering the production of more than one Member State.**~~ In other cases~~**, it**~~ ***that decision*** shall be taken by the national competition authority of the Member State ***to which the negotiations relate*** ~~**the production of which is covered by the negotiations**~~.

The decisions referred to in ~~**the first and second subparagraphs**~~ ***this paragraph*** shall not apply earlier than the date of their notification to the undertakings concerned.

7~~**5.**~~ For the purposes of this Article:

(a) a "national competition authority" ~~**shall be**~~ ***means*** the authority referred to in Article 5 of ***Council*** Regulation (EC) No 1/2003[1];

(b) a "SME" ~~**shall**~~ mean***s*** a micro, small or medium-sized enterprise within the meaning of Commission Recommendation 2003/361/EC[2].

8. The Member States in which negotiations take place in accordance with this Article shall notify the Commission of the application of point (f) of paragraph 2 and paragraph 6.

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1 ***Council Regulation (EC) No 1/2003 of 16 December 2002 on the implementation of the rules on competition laid down in Articles 101 and 102 of the Treaty (OJ L 1, 4.1.2003, p. 1).***

2 ***Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p. 36).***

Article 105a

Regulation of supply for cheese with a protected designation of origin or protected geographical indication

1. ***Upon the request of a producer organisation recognised under Article 106(2), an interbranch organisation recognised under Article 108(2) or a group of operators referred to in Article 5(1) of Regulation (EC) No 510/2006, Member States may lay down, for a limited period of time, binding rules for the regulation of the supply of cheese benefiting from a protected designation of origin or from a protected geographical indication under points (a) and (b) of Article 2(1) of Regulation (EC) No 510/2006.***

2. ***The rules referred to in paragraph 1 shall comply with the conditions set out in paragraph 4 and shall be subject to the existence of a prior agreement between the parties in the geographical area referred to in point (c) of Article 4(2)of Regulation (EC) No 510/2006. Such an agreement shall be concluded between at least two thirds of the milk producers or their representatives representing at least two thirds of the raw milk used for the production of the cheese referred to in paragraph 1 and, if appropriate, at least two thirds of the producers of that cheese representing at least two thirds of the production of that cheese in the geographical area referred to in point (c) of Article 4(2) of Regulation (EC) No 510/2006.***

3. ***For the purpose of paragraph 1, concerning cheese benefiting from a protected geographical indication, the geographical area of origin of the raw milk, as set in the product specification for the cheese, shall be the same as the geographical area referred to in point (c) of Article 4(2) of Regulation (EC) No 510/2006 relating to that cheese.***

4. ***The rules referred to in paragraph 1:***
   - ***(a) shall only cover the regulation of supply of the product concerned and shall have the aim of adapting the supply of that cheese to demand;***
   - ***(b) shall have effect only on the product concerned;***
   - ***(c) may be made binding for no more than three years and be renewed after this period, following a new request, as referred to in paragraph 1;***

(d) shall not damage the trade of products other than those concerned by the rules referred to in paragraph 1;

(e) shall not relate to any transaction after the first marketing of the cheese concerned;

(f) shall not allow for price fixing, including where prices are set for guidance or recommendation;

(g) shall not render unavailable an excessive proportion of the product concerned that would otherwise be available;

(h) shall not create discrimination, constitute a barrier for new entrants in the market, or lead to small producers being adversely affected;

(i) shall contribute to maintaining the quality and/or the development of the product concerned;

(j) shall be without prejudice to Article 105.

5. The rules referred to in paragraph 1 shall be published in an official publication of the Member State concerned.

6. Member States shall carry out checks in order to ensure that the conditions laid down in paragraph 4 are complied with, and, where it has been found by the competent national authorities that such conditions have not been complied with, shall repeal the rules referred to in paragraph 1.

7. Member States shall notify the Commission forthwith of the rules referred to in paragraph 1 which they have adopted. The Commission shall inform other Member States of any notification of such rules.

8. The Commission may at any time adopt implementing acts requiring that a Member State repeal the rules laid down by that Member State pursuant to paragraph 1 if the Commission finds that those rules do not comply with the conditions laid down in paragraph 4, prevent or distort competition in a substantial part of the internal market or jeopardise free trade or the attainment of the objectives of Article 39 TFEU. Those implementing acts shall be adopted without applying the procedure referred to in Article 162(2) or (3).

Article 105b

Compulsory declarations in the milk and milk products sector

From 1 April 2015, the first purchasers of raw milk shall declare to the competent national authority the quantity of raw milk that has been delivered to them each month.

For the purpose of this Article and of Article 104, a "first purchaser" means an undertaking or group which buys milk from producers in order to:

(a) subject it to collecting, packing, storing, chilling or processing, including under a contract;

(b) sell it to one or more undertakings treating or processing milk or other milk products.

Member States shall notify the Commission of the quantity of raw milk referred to in the first subparagraph.

The Commission may adopt implementing acts laying down rules on the content, format and timing of such declarations and measures relating to the notifications to be made by the Member States in accordance with this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

CHAPTER III

PRODUCER ORGANISATIONS AND ASSOCIATIONS, INTERBRANCH ORGANISATIONS, OPERATOR ORGANISATIONS

SECTION 1

DEFINITION AND RECOGNITION

Article 106

Producer organisations

1. Member States ***may*~~shall~~** recognise, on request, producer organisations, which:

(a) are constituted ***and controlled in accordance with point (c) Article 106a(2)*** by producers in ~~**any of the**~~ ***a specific*** sector~~**s**~~ listed in Article 1(2);

(b) are formed on the initiative of the producers;

(c) pursue a specific aim which may include at least one of the following objectives:

(i) ensuring that production is planned and adjusted to demand, particularly in terms of quality and quantity;

(ii) concentration of supply and the placing on the market of the products produced by its members***, including through direct marketing***;

(iii) optimising production costs ***and returns on investments in response to environmental and animal welfare standards,*** and stabilising producer prices;

(iv) carrying out research ***and developing initiatives on*** ~~**into**~~ sustainable production methods***, innovative practices, economic competitiveness*** and market developments;

(v) promoting and providing technical assistance for the use of environmentally sound cultivation practices and production techniques***, and sound animal welfare practices and techniques***;

(va) promoting and providing technical assistance for the use of production standards, improving product quality and developing products with a protected designation of origin, with a protected geographical indication or covered by a national quality label.

(vi) the management of by-products and of waste in particular to protect the quality of water, soil and landscape and preserving or encouraging biodiversity; ~~and~~

(vii) contributing to a sustainable use of natural resources and to climate change mitigation;

(viia) developing initiatives in the area of promotion and marketing;

(viib) managing of the mutual funds referred to under operational programmes in the fruit and vegetables sector referred to in Article 31(2) of this Regulation and under Article 37 of Regulation (EU) No […][EAFRD Regulation];

(viic) providing the necessary technical assistance for the use of the futures markets and of insurance schemes.

~~**(d) do not hold a dominant position on a given market unless this is necessary in pursuance of the objectives of Article 39 of the Treaty.**~~

1a A producer organisation recognised under this Article may continue to be recognised if it engages in the marketing of products covered by CN code ex 2208 other than those referred to in Annex I to the Treaty, provided that the proportion of such products does not exceed 49% of the total value of marketed production of the producer organisation and that such products do not benefit from Union support. Those products do not count, for producer organisations in the fruit and vegetables sector, towards the calculation of the value of marketed production for the purposes of Article 32(2).

2. By way of derogation from paragraph 1, Member States shall recognise producer organisations, constituted by producers in the milk and milk products sector, which:

(a) are formed on the initiative of the producers;

(b) pursue a specific aim which may include one or more of the following objectives:

(i) ensuring that production is planned and adjusted to demand, particularly in terms of quality and quantity;

(ii) concentration of supply and the placing on the market of the products produced by its members;

(iii) optimising production costs and stabilising producer prices.

Article 106a

Statute of producer organisations

1. *The statute of a producer organisation shall require its producer members, in particular, to:*
   (a) *apply the rules adopted by the producer organisation relating to production reporting, production, marketing and protection of the environment;*
   (b) *be members of only one producer organisation for any given product of the holding, without prejudice to any derogation granted by the Member State concerned in duly justified cases where producer members hold two distinct production units located in different geographical areas;*
   (c) *provide the information requested by the producer organisation for statistical purposes.*

2. *The statute of a producer organisation shall also provide for:*
   (a) *procedures for laying down, adopting and amending the rules referred to in paragraph 1;*
   (b) *the imposition on members of financial contributions needed to finance the producer organisation;*
   (c) *rules enabling the producer members to scrutinise democratically their organisation and its decisions;*
   (d) *penalties for infringement of obligations under the articles of association, particularly for non-payment of financial contributions, or of the rules laid down by the producer organisation;*
   (e) *rules on the admission of new members, and in particular the minimum period of membership which may not be less than one year;*
   (f) *the accounting and budgetary rules necessary for the operation of the organisation.*

3. *Paragraphs 1 and 2 shall not apply to producer organisations in the milk and milk products sector.*

Article 106b

Recognition of producer organisations

1. *Where a Member State recognises a producer organisation, the producer organisation applying for such recognition shall be a legal entity or clearly defined part of a legal entity which:*
   - (a) *meet the requirements laid down in points (a), (b) and (c) of Article 106(1);*
   - (b) *have a minimum number of members and/or cover a minimum volume of marketable production, to be laid down by the Member State concerned, in the area where they operate;*
   - (c) *provide sufficient evidence that they can carry out their activities properly, both over time and in terms of effectiveness, provision of human, material and technical support to their members, and concentration of supply;*
   - (d) *have statutes that are consistent with points (a), (b) and (c) of this paragraph.*

2. *Member States may decide that producer organisations which have been recognised before 1 January 2014 on the basis of national law and which fulfil the conditions laid down in paragraph 1 of this Article are deemed to be recognised as producer organisations pursuant to Article 106.*

3. *Producer organisations which have been recognised before 1 January 2014 on the basis of national law and which do not fulfil the conditions laid down in paragraph 1 may continue to exercise their activities under national law until 1 January 2015.*

4. *Member States shall:*
   - (a) *decide whether to grant recognition to a producer organisation within four months of the lodging of an application accompanied by all the relevant supporting evidence; this application shall be lodged with the Member State where the organisation has its headquarters;*
   - (b) *carry out, at intervals to be determined by them, checks to verify that recognised producer organisations are complying with this Chapter;*

(c) in the event of non-compliance or irregularities in the application of the measures provided for in this Chapter, impose on those organisations and associations the applicable penalties they have laid down and decide whether, if necessary, recognition should be withdrawn;

(d) inform the Commission once a year and no later than 31 March of every decision to grant, refuse or withdraw recognition taken during the previous calendar year.

Article 106c

Outsourcing

Member States may permit a recognised producer organisation or a recognised association of producer organisations in the sectors specified by the Commission in accordance with point (d) of Article 114 (1) to outsource any of its activities other than production, including to subsidiaries, provided that the producer organisation or association of producer organisations remains responsible for ensuring the carrying out of the outsourced activity and overall management control and supervision of the commercial arrangement for the carrying out of the activity.

Article 107

Associations of producer organisations

1. Member States ***may*~~shall~~** recognise, on request, associations of producer organisations in ~~any of the~~ ***a specific*** sector~~s~~ listed in Article 1(2) which are formed on the initiative of recognised producer organisations.

Subject to the rules adopted pursuant to Article 114, associations of producer organisations may carry out any of the activities or functions of producer organisations.

2. By way of derogation from paragraph 1, in response to an application, Member States may recognise an association of recognised producer organisations in the milk and milk products sector if the Member State concerned considers that this association is capable of carrying out effectively any of the activities of a recognised producer organisation and that it fulfils the conditions laid down in Article 109c(1).

Article 108

Interbranch organisations

1. Member States ***may*** ~~**shall**~~ recognise, on request, interbranch organisations in ~~**any of the**~~ ***a specific*** sector~~**s**~~ listed in Article 1(2) which:
   (a) are constituted of representatives of economic activities linked to the production ~~**of, trade in,**~~ and/~~**or**~~ ***to at least one of the following stages of the supply chain: the*** processing of ***or trading of, including distribution of,*** products in one or more sectors;
   (b) are formed on the initiative of all or some of the organisations or associations which constitute them;
   (c) pursue a specific aim ***taking account of the interests of their members and of consumers***, which may include***,*** ~~**at least**~~ ***in particular,*** one of the following objectives:
      (i) improving knowledge and the transparency of production and the market, including by publication of ***aggregated*** statistical data on ***production costs,*** ~~**the**~~ prices, ***including, where appropriate, price indices,*** volumes and duration of contracts which have been previously concluded, and by providing analyses of potential future market developments at regional***,*** ~~**or**~~ national ***or international*** level;
      (ia) forecasting of production potential, and recording public market prices;
      (ii) helping to ~~**better**~~ coordinate ***better*** the way the products are placed on the market, in particular by means of research and market studies;
      (iia) exploring potential export markets;
      (iii) ***without prejudice to provisions laid down in Articles 104 and 113a,***drawing up standard forms of contract compatible with Union rules ***for the sale of agricultural products to purchasers and/or the supply of processed products to distributors and retailers, taking into account the need to achieve fair competitive conditions and to avoid market distortions***;
      (iv) exploiting to a fuller extent the potential of the products***, including at the level of market outlets, and developing initiatives to strengthen economic competitiveness and innovation***;

(v) providing the information and carrying out the research necessary to ***innovate,*** rationalise, improve and adjust production***, and, where applicable, the processing and marketing,*** towards products more suited to market requirements and consumer tastes and expectations, in particular with regard to product quality, including the particular characteristics of products with a protected designation of origin or a protected geographical indication, and protection of the environment;

(vi) seeking ways of restricting the use of animal-health or plant protection products***,*** ~~**and**~~ ***better managing*** other inputs***,*** ~~**and**~~ ensuring product quality and soil and water conservation***, promoting food safety, in particular through traceability of products, and improving animal health and welfare***;

(vii) developing methods and instruments for improving product quality at all stages of production and***, where applicable, of processing and*** marketing;

(viii) ~~**exploiting the potential of**~~ ***taking all possible actions to uphold, protect and promote*** organic farming and ~~**protecting and promoting such farming as well as**~~ designations of origin, quality labels and geographical indications;

(ix) promoting and carrying out research into integrated, sustainable production or other environmentally sound production methods;

(x) encouraging healthy ***and responsible*** consumption of the products ***on the internal market*** ~~**and informing about the harm linked to hazardous consumption patterns**~~;

(xa) informing about the harm linked to hazardous consumption patterns;

(xb) promoting consumption of, and/or furnishing information concerning, products on the internal market and external markets;

~~**(xi) carrying out promotion actions, especially in third countries.**~~

(xia) contributing to the management of by-products and the reduction and management of waste.

In duly justified cases, Member States may decide on the basis of objective and non-discriminatory criteria that the condition in Article 108a(1)(c) is fulfilled by limiting the number of interbranch organisations on a regional or national level if so provided for by national rules in place before 1 January 2014 and where this does not impair the proper functioning of the single market.

2. ~~**For interbranch organisations in the olive oil and table olive and tobacco sectors, the specific aim referred to in point (c) of paragraph 1 may also include at least one of the following objectives:**~~

~~**(a) concentrating and co-ordinating supply and marketing of the produce of the members;**~~

~~**(b) adapting production and processing jointly to the requirements of the market and improving the product;**~~

~~**(c) promoting the rationalisation and improvement of production and processing.**~~

By way of derogations from paragraph 1, as regards the milk and milk products sector, Member States may recognise interbranch organisations which:

(a) have formally requested recognition and are made up of representatives of economic activities linked to the production of raw milk and linked to at least one of the following stages of the supply chain: processing of or trade in, including distribution of, products of the milk and milk products sector;

(b) are formed on the initiative of all or some of the representatives referred to in point (a);

(c) carry out, in one or more regions of the Union, taking into account the interests of the members of those interbranch organisations and of consumers, one or more of the following activities:

(i) improving the knowledge and the transparency of production and the market, including by publication of statistical data on the prices, volumes and durations of contracts for the delivery of raw milk which have been previously concluded, and by providing analyses of potential future market developments at regional, national and international level;

(ii) helping to coordinate better the way the products of the milk and milk products sector are placed on the market, in particular by means of research and market studies;

(iii) promoting consumption of, and providing information on, milk and milk products in both internal and external markets;

(iv) exploring potential export markets;

(v) drawing up standard forms of contract compatible with Union rules for the sale of raw milk to purchasers or the supply of processed products to distributors and retailers, taking into account the need to achieve fair competitive conditions and to avoid market distortions;

(vi) providing the information and carrying out the research necessary to adjust production in favour of products more suited to market requirements and consumer tastes and expectations, in particular with regard to product quality and protection of the environment;

(vii) maintaining and developing the production potential of the dairy sector, inter alia, by promoting innovation and supporting programmes for applied research and development in order to exploit the full potential of milk and milk products, especially in order to create products with added value which are more attractive to the consumer;

(viii) seeking ways of restricting the use of animal health products, improving the management of other inputs and enhancing food safety and animal health;

(ix) developing methods and instruments for improving product quality at all stages of production and marketing;

(x) exploiting the potential of organic farming and protecting and promoting such farming as well as the production of products with designations of origin, quality labels and geographical indications; and

(xi) promoting integrated production or other environmentally sound production methods

Article 108a

Recognition of interbranch organisations

1. Member States may recognise interbranch organisations applying for such recognition, provided that they:

(a) meet the requirements laid down in Article 108;

(b) carry out their activities in one or more regions in the territory concerned;

(c) account for a significant share of the economic activities referred to in point (a) of Article 108(1);

(d) with the exception of the cases laid down in Article 109d, do not themselves engage in production, processing or trade.

2. Member States may decide that interbranch organisations which have been recognised before 1 January 2014 on the basis of national law and which fulfil the conditions laid down in paragraph 1 are deemed to be recognised as interbranch organisations pursuant to Article 108.

3. Interbranch organisations which have been recognised before 1 January 2014 on the basis of national law and which do not fulfil the conditions laid down in paragraph 1 of this Article may continue to exercise their activities under national law until 1 January 2015.

3a. By way of derogation from paragraph 3, Member States may recognise interbranch organisations existing prior to the entry into force of this Regulation, whether they were recognised on request or established by law, even though they do not fulfil the condition laid down in point (b) of Article 108(1).

4. Where Member States recognise an interbranch organisation in accordance with paragraph 1 or 2, they shall:

(a) decide whether to grant recognition within four months of the lodging of an application with all relevant supporting documents; this application shall be lodged with the Member State where the organisation has its headquarters;

(b) carry out, at intervals to be determined by them, checks to verify that recognised interbranch organisations are complying with the conditions governing their recognition;

(c) in the event of non-compliance or irregularities in the implementation of the measures provided for in this Regulation, impose on those organisations the applicable penalties they have laid down and decide whether, if necessary, recognition should be withdrawn;

(d) withdraw recognition if the requirements and conditions for recognition laid down in this Article are no longer met;

(e) inform the Commission each year, by 31 March, of every decision to grant, refuse or withdraw recognition taken during the previous calendar year.

~~**Article 109**~~

~~**Operator organisations**~~

~~**For the purposes of this Regulation, operator organisations in the olive oil and table olives sector shall comprise recognised producer organisations, recognised interbranch organisations or recognised organisations of other operators or their associations.**~~

SECTION IA

ADDITIONAL RULES FOR SPECIFIC SECTORS

Article 109a

Obligatory recognition

By way of derogation from Articles 106 to 108a Member States shall recognise, on request:

(a) producer organisations in:

(i) the fruit and vegetables sector in respect of one or more products of that sector and/or such products solely intended for processing,

(ii) the olive oil and table olives sector,

(iii) the silkworm sector,

(iv) the hops sector;

(b) interbranch organisations in the olive oil and table olives sector and the tobacco sector.

Article 109b

Producer organisations in the fruit and vegetables sector

In the fruit and vegetables sector producer organisations shall pursue at least one of the objectives set out in points (c)(i), (ii) and (iii) of Article 106 (1).

The statutes of a producer organisation in the fruit and vegetables sector shall require its producer members to market their entire production concerned through the producer organisation.

Producer organisations in the fruit and vegetables sector shall be deemed to be acting in the name and on behalf of their members in economic matters within their terms of reference.

Article 109c

Recognition of producer organisations and their associations in the milk and milk products sector

1. ***Member States shall recognise as producer organisations in the milk and milk products sector all legal entities or clearly defined parts of legal entities applying for such recognition, provided that:***
   - ***(a) they meet the requirements laid down in Article 106(2);***
   - ***(b) they have a minimum number of members and/or cover a minimum volume of marketable production, to be laid down by the Member State concerned, in the area where they operate;***
   - ***(c) there is sufficient evidence that they can carry out their activities properly, both over time and in terms of effectiveness and concentration of supply;***
   - ***(d) they have a statute that is consistent with points (a), (b) and (c) of this paragraph.***

2. ***Member States may decide that producer organisations which have been recognised before 2 April 2012 on the basis of national law and which fulfil the conditions laid down in paragraph 1 of this Article are to be considered to be recognised as producer organisations pursuant to Article 106(2).***

3. ***Member States shall:***
   - ***(a) decide whether to grant a recognition to a producer organisation within four months of the lodging of an application accompanied by all the relevant supporting evidence. This application shall be lodged with the Member State where the organisation has its headquarters;***
   - ***(b) carry out, at intervals to be determined by them, checks to ascertain that recognised producer organisations and associations of producer organisations are complying with the provisions of this Chapter;***

(c) in the event of non-compliance or irregularities in the implementation of the measures provided for in this Chapter, impose on those organisations and associations the applicable penalties they have laid down and decide whether, if necessary, recognition should be withdrawn;

(d) inform the Commission once a year, and no later than 31 March, of every decision to grant, refuse or withdraw recognition which they have taken during the previous calendar year.

Article 109d

Interbranch organisations in the olive oil and table olive and tobacco sectors

For interbranch organisations in the olive oil and table olive and tobacco sectors, the specific aim referred to in point (c) of Article 108(1) may also include at least one of the following objectives:

(a) concentrating and co-ordinating supply and marketing of the produce of the members;

(b) adapting production and processing jointly to the requirements of the market and improving the product;

(c) promoting the rationalisation and improvement of production and processing.

Article 109e

Recognition of interbranch organisations in the milk and milk products sector

1. Member States may recognise interbranch organisations in the milk and milk products sector provided that such organisations:

(a) meet the requirements laid down in Article 108(2);

(b) carry out their activities in one or more regions in the territory concerned;

(c) account for a significant share of the economic activities referred to in point (a) of Article 108(2);

(d) do not themselves engage in the production of, processing of, or the trade in, products in the milk and milk products sector.

2. Member States may decide that interbranch organisations which have been recognised before 2 April 2012 on the basis of national law and which fulfil the conditions laid down in paragraph 1 are to be considered to be recognised as interbranch organisations under Article 108(2).

3. Where Member States make use of the option to recognise an interbranch organisation in accordance with paragraph 1 or 2, they shall:

(a) decide whether to grant recognition to the interbranch organisation within four months of the lodging of an application accompanied by all the relevant supporting evidence. This application shall be lodged with the Member State where the organisation has its headquarters;

(b) carry out, at intervals to be determined by them, checks to verify that recognised interbranch organisations are complying with the conditions governing their recognition;

(c) in the event of non-compliance or irregularities in the implementation of the measures provided for in this Regulation, impose on those organisations the applicable penalties they have laid down and decide whether, if necessary, recognition should be withdrawn;

(d) withdraw recognition if:

(i) the requirements and conditions for recognition laid down in this Article are no longer met;

(ii) the interbranch organisation engages in any of the agreements, decisions and concerted practices referred to in Article 145(4), without prejudice to any other penalties to be imposed pursuant to national law;

(iii) the interbranch organisation fails to comply with the notification obligation referred to in Article 145(2);

(e) inform the Commission once a year, and no later than 31 March, of every decision to grant, refuse or withdraw recognition taken during the previous calendar year.

SECTION 2

EXTENSION OF RULES AND COMPULSORY CONTRIBUTIONS

Article 110

Extension of rules

1. In cases where a recognised producer organisation, a recognised association of producer organisations or a recognised interbranch organisation operating in a specific economic area or economic areas of a Member State is considered to be representative of the production of or trade in or processing of a given product, the Member State concerned may, at the request of that organisation, make binding for a limited period of time some of the agreements, decisions or concerted practices agreed on within that organisation on other operators acting in the economic area or areas in question, whether individuals or groups and not belonging to the organisation or association.

2. An "economic area" shall mean a geographical zone made up of adjoining or neighbouring production regions in which production and marketing conditions are homogeneous.

3. An organisation or association shall be deemed representative where, in the economic area or areas concerned of a Member State:
   (a) it accounts for, as a proportion of the volume of production or of trade in or of processing of the product or products concerned:
      (i) for producer organisations in the fruit and vegetables sector, at least 60%, or
      (ii) in other cases, at least two thirds, and
   (b) it accounts for, in the case of producer organisations, more than 50% of the producers concerned.

   However, in the case of interbranch organisations, where the determination of the proportion of the volume of production, or of trade in, or of processing of the product or products concerned gives rise to practical difficulties, a Member State may lay down national rules for determining the specified level of representativeness referred to in point (a)(ii) of the first subparagraph.

Where the request for extension of its rules to other operators covers more than one economic area, the organisation or association shall demonstrate the minimum level of representativeness as defined in the first subparagraph for each of the branches it groups in each of the economic areas concerned.

4. The rules for which extension to other operators may be requested as provided in paragraph 1 shall have one of the following aims:

(a) production and market reporting;

(b) stricter production rules than those laid down in Union or national rules;

(c) drawing up of standard contracts which are compatible with Union rules;

(d) rules on marketing;

(e) rules on protecting the environment;

(f) measures to promote and exploit the potential of products;

(g) measures to protect organic farming as well as designations of origin, quality labels and geographical indications;

(h) research to add value to the products, in particular through new uses which do not pose a threat to public health;

(i) studies to improve the quality of products;

(j) research, in particular into methods of cultivation permitting reduced use of plant protection or animal health products and guaranteeing conservation of the soil and ***conservation or improvement of*** the environment;

(k) definition of minimum qualities and definition of minimum standards of packing and presentation;

(l) use of certified seed and monitoring of product quality.

(m) rules on animal health, plant health or food safety.

(n) rules on the management of by-products.

Those rules shall not cause any damage to other operators in the Member State concerned or the Union and shall not have any of the effects listed in Article 145(4) or be otherwise incompatible with Union ***law*** or national rules in force.

4a. The extension of the rules referred to in paragraph 1 shall be brought to the attention of operators by publication in full in an official publication of the Member State concerned.

4b. Member States shall inform the Commission of any decisions taken under this Article.

Article 111

Financial contributions of non-members

Where rules of a recognised producer organisation, a recognised association of producer organisations or a recognised interbranch organisation are extended under Article 110 and the activities covered by those rules are in the general economic interest of ~~**persons**~~ ***economic operators*** whose activities relate to the products concerned, the Member State which has granted recognition may decide***, after consultation of the relevant stakeholders,*** that individual~~**s**~~ ***economic operators*** or groups which are not members of the organisation but which benefit from those activities shall pay the organisation all or part of the financial contributions paid by its members to the extent that such contributions are intended to cover costs directly incurred as a result of pursuing the activities in question.

SECTION 3

ADJUSTMENT OF SUPPLY

Article 112

Measures to facilitate the adjustment of supply to market requirements

~~**Taking into account the need**~~ ***In order*** to encourage action by the organisations referred to in Articles 106 to 108***a*** to facilitate the adjustment of supply to market requirements, with the exception of action relating to withdrawal from the market, the Commission shall be empowered to adopt delegated acts in accordance with Article 160~~,~~ concerning ***measures in*** the ~~**live plants, beef and veal, pigmeat, sheepmeat and goatmeat, eggs and poultrymeat**~~ sectors ***listed in Article 1(2),***on measures:

(a) ~~**to**~~ improv***ing*****e** quality;

(b) ~~**to**~~ promot***ing*****e** better organisation of production, processing and marketing;

(c) ~~**to**~~ facilitat***ing*****e** the recording of market price trends;

(d) ~~**to**~~ permit***ting*** the establishment of short and long-term forecasts on the basis of the means of production used.

Article 113

Marketing rules to improve and stabilise the operation of the common market in wines

1. In order to improve and stabilise the operation of the common market in wines, including the grapes, musts and wines from which they derive, producer Member States may lay down marketing rules to regulate supply, particularly by way of decisions taken by the interbranch organisations recognised under Article***s*** 108 ***and 108a***.

Such rules shall be proportionate to the objective pursued and shall not:

(a) relate to any transaction after the first marketing of the produce concerned;

(b) allow for price fixing, including where prices are set for guidance or recommendation;

(c) render unavailable an excessive proportion of the vintage that would otherwise be available;

(d) provide scope for refusing to issue the national and Union certificates required for the circulation and marketing of wines where such marketing is in accordance with those rules.

1a. The rules provided for in paragraph 1 shall be brought to the attention of operators by publication in full in an official publication of the Member State concerned.

1b. Member States shall inform the Commission of any decisions taken under this Article.

SECTION 3A

CONTRACT SYSTEMS

Article 113a

Contractual relations

1. Without prejudice to Article 104 concerning the milk and milk products sector and Article101 concerning the sugar sector, if a Member State decides that every delivery in its territory of agricultural products from a sector, other than milk and milk products and sugar, listed in Article 1(2), by a producer to a processor or distributor must be covered by a written contract between the parties and/or decides that the first purchasers must make a written offer for a contract for the delivery of agricultural products by the producer, such a contract or such an offer for a contract shall fulfil the conditions laid down in paragraphs 2 and 4 of this Article.

Where the Member State decides that deliveries of the products covered by this Article by a producer to a processor must be covered by a written contract between the parties, it shall also decide which stage or stages of the delivery shall be covered by such a contract if delivery of the products concerned is made through one or more intermediaries.

Member States shall ensure that the provisions that they set in place under this Article do not impair the proper functioning of the internal market.

In the case described in the second subparagraph of this paragraph, the Member State may establish a mediation mechanism to cover cases in which no such contract can be concluded by mutual agreement, thereby ensuring fair contractual relations.

2. Any contract or offer for a contract referred to in paragraph 1 shall:

(a) be made in advance of the delivery,

(b) be made in writing, and

(c) include, in particular, the following elements:

(i) the price payable for the delivery, which shall:

– be static and be set out in the contract, and/or

– *be calculated by combining various factors set out in the contract, which may include market indicators reflecting changes in market conditions, the quantities delivered and the quality or composition of the agricultural products delivered,*

(ii) the quantity and quality of the products concerned which may or must be delivered and the timing of such deliveries,

(iii) the duration of the contract, which may include either a definite duration or an indefinite duration with termination clauses,

(iv) details regarding payment periods and procedures,

(v) arrangements for collecting or delivering the agricultural products, and

(vi) rules applicable in the event of force majeure.

3. By way of derogation from paragraph 1, a contract or an offer for a contract shall not be required where the products concerned are delivered by a producer to a purchaser being a cooperative of which the producer is a member if the statutes of that cooperative or the rules and decisions provided for in or derived from these statutes contain provisions having similar effects to the provisions set out in points (a), (b) and (c) of paragraph 2.

4. All elements of contracts for the delivery of agricultural products concluded by producers, collectors, processors or distributors, including those elements referred to in paragraph 2(c), shall be freely negotiated between the parties.

Notwithstanding the first subparagraph, one or both of the following shall apply:

(i) where a Member State decides to make written contracts for the delivery of agricultural products compulsory in accordance with paragraph 1 of this Article, it may establish a minimum duration, applicable only to written contracts between a producer and the first purchaser of the agricultural products. Such a minimum duration shall be at least six months and shall not impair the proper functioning of the internal market;

(ii) where a Member State decides that the first purchaser of agricultural products must make the producer a written offer for a contract in accordance with paragraph 1, it may provide that the offer must include a minimum duration for the contract, set by national law for this purpose. Such a minimum duration shall be at least six months and shall not impair the proper functioning of the internal market.

The second subparagraph shall be without prejudice to the producer's right to refuse such a minimum duration provided that he does so in writing. In this case, the parties shall be free to negotiate all elements of the contract, including those elements referred to in paragraph 2(c).

5. Member States which make use of the options referred to in this Article shall ensure that the provisions set in place do not impair the proper functioning of the internal market.

Member States shall notify the Commission of how they apply any measures introduced under this Article.

6. The Commission may adopt implementing acts laying down measures necessary for the uniform application of paragraph 2(a) and (b) and paragraph 3 of this Article and measures relating to notifications to be made by the Member States in accordance with this Article.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 113b

Contractual negotiations in the olive oil sector

1. A producer organisation in the olive oil sector which is recognised under Article 106 and which pursues one or more of the objectives of concentrating supply, the placing on the market of the products produced by its members and optimising production costs, may negotiate on behalf of its members, in respect of part or all of the aggregate production of their members, contracts for the supply of olive oil.

A producer organisation fulfills the objectives mentioned in this paragraph provided that the pursuit of these objectives leads to the integration of activities and this integration is likely to generate significant efficiencies so that the activities of the producer organisation overall contribute to the fulfilment of the objectives of Article 39 of the Treaty.

This could be achieved provided that:

(a) the producer organisation carries out at least one of the following activities:

(i) joint distribution, including joint selling platform or joint transportation;

(ii) joint packaging, labelling or promotion;

(iii) joint organising of quality control;

(iv) joint use of equipment or storage facilities;

(v) joint processing;

(vi) joint management of waste directly related to the production of olive oil;

(vii) joint procurement of inputs;

(b) these activities are significant in terms of volume of olive oil concerned and in terms of cost of the production and placing of the product on the market.

2. The negotiations by the recognised producer organisation may take place:

(a) whether or not there is a transfer of ownership of the olive oil in question by the producers to the producer organisation;

(b) whether or not the price negotiated is the same as regards the aggregate production of some or all of the members;

(c) provided that, for a particular producer organisation, the volume of olive oil production[1] covered by such negotiations which is produced in any particular Member State does not exceed 20 % of the relevant market;

(d) provided that, for the volume of olive oil covered by such negotiations, the producer organisation concentrates supply and places the product of its members on the market;

(e) provided that the producers concerned are not members of any other producer organisation which also negotiates such contracts on their behalf;

(f) provided that the olive oil in question is not covered by an obligation to supply arising from the producer's membership of a cooperative which is not itself member of the concerned producer organisation in accordance with the conditions set out in the cooperative's statutes or the rules and decisions provided for in or derived from these statutes; and

(g) provided that the producer organisation notifies the competent authorities of the Member State in which it operates of the volume of olive oil production covered by such negotiations.

3. For the purposes of this Article, references to producer organisations shall also include associations of such producer organisations recognised under Article 107.

4. For the purposes of applying point (c) of paragraph 2, the Commission shall publish, by such means as it considers appropriate, the volume of olive oil production in Member States.

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[1] ***For the purpose of the calculation of this production volume distinctions shall be made between olive oil for human consumption and olive oil for other uses.***

5. By way of derogation from point (c) of paragraph 2, even where the thresholds set out therein are not exceeded, the competition authority referred to in the second subparagraph of this paragraph may decide in an individual case that a particular negotiation by the producer organisation should either be reopened or should not take place at all if it considers that this is necessary in order to prevent competition being excluded or if it finds that the objectives of Article 39 of the Treaty are jeopardised.

For negotiations covering more than one Member State, the decision referred to in the first subparagraph shall be taken by the Commission without applying the procedure referred to in Article 162(2) or (3). In other cases, that decision shall be taken by the national competition authority of the Member State to which the negotiations relate.

The decisions referred to in this paragraph shall not apply earlier than the date of their notification to the undertakings concerned.

For the purposes of this Article, the definitions in Article 105 (7) shall apply.

6. The Member States in which negotiations take place in accordance with this Article shall notify the Commission of the application of point (g) of paragraph 2 and paragraph 5.

Article 113c

Contractual negotiations in the beef and veal sector

1. A producer organisation in the beef and veal sector which is recognised under Article 106 and which pursues one or more of the objectives of concentrating supply, the placing on the market of the products produced by its members and optimising production costs, may negotiate on behalf of its members, in respect of part or all of the aggregate production of their members, contracts for the supply of live cattle of genus Bos taurus for slaughter CN ex 0102 29 21, ex 0102 29 41, ex 0102 29 51, ex 0102 29 61, ex 0102 29 91):

(a) aged less than 12 months; and

(b) aged from 12 months and older

A producer organisation fulfills the objectives mentioned in this paragraph provided that the pursuit of these objectives leads to the integration of activities and this integration is likely to generate significant efficiencies so that the activities of the producer organisation overall contribute to the fulfilment of the objectives of Article 39 of the Treaty.

This could be achieved provided that:

(a) the producer organisation carries out at least one of the following activities:

(i) joint distribution, including joint selling platform or joint transportation;

(ii) joint promotion;

(iii) joint organising of quality control;

(iv) joint use of equipment or storage facilities;

(v) joint management of waste directly related to the production of live cattle;

(vi) joint procurement of inputs;

(b) these activities are significant in terms of quantity of beef and veal concerned and in terms of cost of the production and placing of the product on the market.

2. The negotiations by the recognised producer organisation may take place:

(a) whether or not there is a transfer of ownership by the farmers to the producer organisation;

(b) whether or not the price negotiated is the same as regards the aggregate production of some or all of the members;

(c) provided that, for a particular producer organisation, the quantity of beef and veal production covered by such negotiations which is produced in any particular Member State does not exceed 15 % of the total national production of each product referred to in (a) and (b) of paragraph 1 of that Member State expressed in carcass weight equivalent;

(d) provided that, for the quantity of beef and veal covered by such negotiations, the producer organisation concentrates supply and places the product of its members on the market;

(e) provided that the producers concerned are not members of any other producer organisation which also negotiates such contracts on their behalf;

(f) provided that the product in question is not covered by an obligation to supply arising from the producer's membership of a cooperative which is not itself member of the concerned producer organisation in accordance with the conditions set out in the cooperative's statutes or the rules and decisions provided for in or derived from these statutes; and

(g) provided that the producer organisation notifies the competent authorities of the Member State in which it operates of the quantity of beef and veal production covered by such negotiations.

3. For the purposes of this Article, references to producer organisations shall also include associations of such producer organisations recognised under Article 107.

4. For the purposes of applying point (c) of paragraph 2, the Commission shall publish, by such means as it considers appropriate, the quantity of beef and veal production in Member States expressed in carcass weight equivalent.

5. By way of derogation from point (c) of paragraph 2, even where the thresholds set out therein are not exceeded, the competition authority referred to in the second subparagraph of this paragraph may decide in an individual case that a particular negotiation by the producer organisation should either be reopened or should not take place at all if it considers that this is necessary in order to prevent competition being excluded or it finds that the product covered by the negotiations forms part of a separate market by virtue of the specific characteristics of the product or its intended use and that such collective negotiation would cover more than 15% of the national production of such market, or if it finds that the objectives of Article 39 of the Treaty are jeopardised.

For negotiations covering more than one Member State, the decision referred to in the first subparagraph shall be taken by the Commission without applying the procedure referred to in Article 162(2) or (3). In other cases, that decision shall be taken by the national competition authority of the Member State to which the negotiations relate.

The decisions referred to in this paragraph shall not apply earlier than the date of their notification to the undertakings concerned.

For the purposes of this Article, the definitions in Article 105(7) shall apply.

6. The Member States in which negotiations take place in accordance with this Article shall notify the Commission of the application of point (g) of paragraph 2 and paragraph 5.

Article 113d

Contractual negotiations for certain arable crops

1. A producer organisation which is recognised under Article 106 and which pursues one or more of the objectives of concentrating supply, the placing on the market of the products produced by its members and optimising production costs, may negotiate on behalf of its members, in respect of part or all of the aggregate production of their members, contracts for the supply of one or more of the following products not intended for sowing and in the case of barley not intended for malting:[1]

- ***(a) common wheat;***
- ***(b) barley;***
- ***(c) maize;***
- ***(d) rye;***
- ***(e) durum wheat;***
- ***(f) oats;***
- ***(g) triticale;***
- ***(h) rapeseed;***
- ***(i) sunflower seed;***
- ***(j) soya;***
- ***(k) field beans;***
- ***(l) field peas.***

A producer organisation fulfills the objectives mentioned in this paragraph provided that

[1] Corresponding CN codes for unprocessed products to be added prior to finalisation of the legal text.

the pursuit of these objectives leads to the integration of activities and this integration is likely to generate significant efficiencies so that the activities of the producer organisation overall contribute to the fulfilment of the objectives of Article 39 of the Treaty.

This could be achieved provided that:

(a) the producer organisation carries out at least one of the following activities:

(i) joint distribution, including joint selling platform or joint transportation;

(ii) joint promotion;

(iii) joint organising of quality control;

(iv) joint use of equipment or storage facilities;

(v) joint procurement of inputs:

(b) these activities are significant in terms of quantity of the product concerned and in terms of cost of the production and placing of the product on the market.

2. The negotiations by the recognised producer organisation may take place:

(a) whether or not there is a transfer of ownership by the producers to the producer organisation;

(b) whether or not the price negotiated is the same as regards the aggregate production of some or all of the members;

(c) provided that, for each product referred to in paragraph 1 and for a particular producer organisation, the quantity of production covered by such negotiations which is produced in any particular Member State does not exceed 15 % of the total national production of that product in the Member State concerned;

(d) provided that, for the quantity of products covered by such negotiations, the producer organisation concentrates supply and places the product of its members on the market;

(e) provided that the producers concerned are not members of any other producer organisation which also negotiates such contracts on their behalf;

(f) provided that the product in question is not covered by an obligation to supply arising from the producer's membership of a cooperative which is not itself member of the concerned producer organisation in accordance with the conditions set out in the cooperative's statutes or the rules and decisions provided for in or derived from these statutes; and

(g) provided that the producer organisation notifies the competent authorities of the Member State in which it operates of the quantity of production for each product covered by such negotiations.

3. For the purposes of this Article, references to producer organisations shall also include associations of such producer organisations recognised under Article 107.

4. For the purposes of applying point (c) of paragraph 2, the Commission shall publish for the products referred to in paragraph 1, by such means as it considers appropriate, the quantity of production in Member States.

5. By way of derogation from point (c) of paragraph 2, even where the thresholds set out therein are not exceeded, the competition authority referred to in the second subparagraph of this paragraph may decide in an individual case that a particular negotiation by the producer organisation should either be reopened or should not take place at all if it considers that this is necessary in order to prevent competition being excluded, or it finds that the product covered by the negotiations forms part of a separate market by virtue of the specific characteristics of the product or its intended use and that such collective negotiation would cover more than 15% of the national production of such market, or if it finds that the objectives of Article 39 of the Treaty are jeopardised.

For negotiations covering more than one Member State, the decision referred to in the first subparagraph shall be taken by the Commission without applying the procedure referred to in Article 162(2) or (3). In other cases, that decision shall be taken by the national competition authority of the Member State to which the negotiations relate.

The decisions referred to in this paragraph shall not apply earlier than the date of their notification to the undertakings concerned.

For the purposes of this Article, the definitions in Article 105(7) shall apply.

6. The Member States in which negotiations take place in accordance with this Article shall notify the Commission of the application of point (g) of paragraph 2 and paragraph 5.

Article 113e

Regulation of supply for ham with a protected designation of origin or protected geographical indication

1. Upon the request of a producer organisation recognised under Article 106, an interbranch organisation recognised under Article 108 or a group of operators referred to in Article 3(2) of Regulation (EU) No 1151/2012, Member States may lay down, for a limited period of time, binding rules for the regulation of the supply of ham benefiting from a protected designation of origin or form a protected geographical indication under Article 5(1) and (2) of Regulation (EC) No 1151/2012.

2. The rules referred to in paragraph 1 shall comply with the conditions set out in paragraph 4 and shall be subject to the existence of a prior agreement between the parties in the geographical area referred to in point (c) of Article 7(1) of Regulation (EU) No 1151/2012. Such an agreement shall be concluded, after consultation with pig producers in the geographical area, between at least two thirds of the processors of that ham representing at least two thirds of the production of that ham in the geographical area referred to in Article point (c) of 7(1) of Regulation (EU) No 1151/2012 and, if considered appropriate by the Member State, at least two thirds of the pig producers in the geographical area referred to in Article point (c) of 7(1) of Regulation (EU) No 1151/2012.

3. The rules referred to in paragraph 1:

(a) shall only cover the regulation of supply of the product concerned and/or its raw material and shall have the aim of adapting the supply of that ham to demand;

(b) shall have effect only on the product concerned;

(c) may be made binding for no more than three years and be renewed after this period, following a new request, as refereed to in paragraph 1;

(d) shall not damage the trade of products other than those concerned by the rules referred to in paragraph 1;

(e) shall not relate to any transaction after the first marketing of the ham concerned;

(f) shall not allow for price fixing, including where prices are set for guidance or recommendation;

(g) shall not render unavailable an excessive proportion of the product concerned that would otherwise be available;

(h) shall not create discrimination, constitute a barrier for new entrants in the market, or lead to small producers being adversely affected;

(i) shall contribute to maintaining the quality and/or the development of the product concerned;

4. The rules referred to in paragraph 1 shall be published in an official publication of the Member State concerned.

5. Member States shall carry out checks in order to ensure that he conditions laid down in paragraph 4 are complied with, and, where it has been found by the competent national authorities that such conditions have not been complied with, shall repeal the rules referred to in paragraph 1.

6. Member States shall notify the Commission forthwith of the rules referred to in paragraph 1 which they have adopted. The Commission shall inform other Member States of any notification of such rules.

7. The Commission may at any time adopt implementing acts requiring that a Member State repeal the rules laid down by that Member State pursuant to paragraph 1 if the Commission finds that those rules do not comply with the conditions laid down in paragraph 4, prevent or distort competition in a substantial part of the internal market or jeopardise free trade or the attainment of the objectives of Article 39 TFEU. Those implementing acts shall be adopted without applying the procedure referred to in Article 162(2) or (3).

SECTION 4

PROCEDURAL RULES

Article 114

Delegated powers

1. ~~**Taking into account the need**~~ ***In order*** to ensure that the objectives and responsibilities of producer organisations, ***associations of producer organisations*** ~~**operator organisations in the olive oil and table olives sector**~~ and interbranch organisations are clearly defined so as to contribute to the effectiveness of the actions of such organisations ***and associations without undue administrative burden and without undermining the principle of freedom of association in particular toward non-members of such organisations***, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 ***concerning the following matters*** regarding producer organisations, associations of producer organisations, ***and*** interbranch organisations ***for one or more of the sectors referred to in Article 1(2), or specific products of those sectors.*** ~~**and operator organisations on the following:**~~

(a) the specific aims which may, shall or shall not be pursued by such organisations and associations***; and where applicable added to***~~**, including derogations from**~~ those laid down in Articles 106 to 109,

(b) the rules of ***such organisations and*** association***s***, the ***statutes of organisations other than producer organisations, the specific conditions applicable to the statutes of producer organisations in certain sectors, including derogations from the obligation to market the entire production through the producer organisation referred to in paragraph 2 of Article 109b*** ~~**recognition**~~, structure, ~~**legal personality,**~~ membership ***period***, size, accountability and activities of such organisations and associations, ~~**the requirement referred to in point (d) of Article 106 for recognition of a producer organisation that it does not hold a dominant position on a given market unless this is necessary in pursuance of the objectives of Article 39 of the Treaty,**~~ the effects deriving from recognition, the withdrawal of recognition, and mergers;

(ba) the conditions for recognition, withdrawal and suspension of recognition, the effects deriving from recognition, withdrawal and suspension of recognition as well as requirements for such organisations and associations to take remedial measures in the event of non-respect of the recognition criteria;

(c) transnational organisations and associations including the rules referred to in points (a), ~~***and***~~ (b) ***and (ba)*** of this Article;

(ca) rules relating to the establishment and the conditions of administrative assistance to be given by the relevant competent authorities in the case of transnational cooperation;

(d) ***the sectors to which Article 106c applies, the conditions for*** outsourcing of activities***, the nature of activities that may be outsourced*** and the provision of technical means by organisations or associations;

(e) the ***basis for calculation of*** minimum volume or value of marketable production of organisations and associations;

(ea) the acceptance of members who are not producers in the case of producer organisations and who are not producer organisations in the case of association of producer organisations;

(f) the extension of certain rules of the organisations provided for in Article 110 to non-members and the compulsory payment of subscriptions by non-members referred to in Article 111 ***including the use and allocation of that payment by those organisations and*~~, including~~** a list of the stricter production rules which may be extended under point (b) of the first subparagraph of Article 110(4), ***while ensuring that such organisations are transparent and accountable toward non-members and that members of such organisations do not enjoy a more favourable treatment than non-members, in particular as to the use of the compulsory payment of subscriptions;***

(g) further requirements as regards representativeness ***of the organisations referred to in Article 110***, the economic areas concerned, including Commission scrutiny of their definition, minimum periods during which the rules shall apply before their extension, the persons or organisations to whom the rules or contributions may be applied, and the circumstances in which the Commission may require that the extension of rules or compulsory contributions shall be refused or withdrawn.

2. By way of derogation from paragraph 1, in order to ensure that the objectives and responsibilities of producer organisations, associations of producer organisations and interbranch organisations in the milk and milk products sector are clearly defined, so as to contribute to the effectiveness of the actions of such organisations without imposing an undue burden, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 laying down:

(a) the conditions for recognising transnational producer organisations and transnational associations of producer organisations;

(b) rules relating to the establishment and the conditions of administrative assistance to be given to producer organisations, including associations of producer organisations by the relevant competent authorities in the case of transnational cooperation;

(c) additional rules regarding the calculation of the volume of raw milk covered by the negotiations referred to in point (c) of Article 105(2) and Article 105(3);

(d) rules concerning the extension of certain rules of the organisations provided for in Article 110 to non-members and the compulsory payment of subscriptions by non-members referred to in Article 111.

Article 115

Implementing powers in accordance with the examination procedure

1. The Commission may, by means of implementing acts, adopt the ~~**necessary**~~ measures *necessary* ~~**concerning**~~ *for the application of* this Chapter, in particular*:* ~~**on the procedures and technical conditions as regards the implementation of the measures referred to in Articles 110 and 112.**~~

(a) rules on the implementation of the conditions for recognition of producer organisations and interbranch organisations set out in Articles 106b and 108a;

(b) procedures in the event of a merger of producer organisations;

(c) procedures to be determined by Member States in relation to the minimum size and minimum membership period;

(d) procedures relating to the extension of rules and financial contributions as referred to in Articles 110 and ~~112~~ ***111, in particular the implementation of the concept of "economic area" as referred to in Article 110(2);***

(e) procedures relating to administrative assistance;

(f) procedures relating to the outsourcing of activities;

(g) procedures and technical conditions as regards the implementation of the measures referred to in Article 112.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

2. By way of derogation from paragraph 1, as regards the milk and the milk product sector, the Commission may adopt implementing acts laying down detailed rules necessary for:

(a) the implementation of the conditions for recognition of producer organisations and their associations and interbranch organisations set out in Articles 109c and 109e;

(b) the notification referred to in point (f) of Article 105(2);

(c) the notifications to be made by the Member States to the Commission in accordance with point (d) of Article 109c(3), point (e) of Article 109e(3), Article 105(8) and Article 105a(7);

(d) the procedures relating to administrative assistance in the case of transnational cooperation.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 116

Other implementing powers

The Commission may, by means of implementing acts ***adopted without applying the procedure referred to in Article 162(2) or (3)***, adopt individual decisions regarding:

(a) the recognition of organisations carrying out activities in more than one Member State, pursuant to the rules adopted under ***point (c) of*** Article 114(***1e***);

~~**(b) the refusal of or repeal of recognition of interbranch organisations, repeal of the extension of rules or compulsory contributions, approval of, or decisions on the amendment of economic areas notified by Member States pursuant to the rules adopted under Article 114(f).**~~

(c) the objection to, or withdrawal of, recognition by a Member State of an interbranch organisation;

(d) the list of economic areas notified by Member States pursuant to the rules adopted under point (f) of Article 114(1);

(e) the requirement that a Member State refuse or repeal an extension of rules or financial contributions by non-members decided on by that Member State.

PART III

TRADE WITH THIRD COUNTRIES

CHAPTER I

IMPORT AND EXPORT LICENCES

Article 117

General rules

1. Without prejudice to cases where import or export licences are required in accordance with this Regulation, the import for release into free circulation or the export of one or more ~~**agricultural**~~ products ***of the following sectors*** into or from the Union may be made subject to the presentation of a licence~~**, taking into account the need for licences for the management of the markets concerned and, in particular, for monitoring trade in the products concerned.**~~

(a) cereals;

(b) rice;

(c) sugar;

(d) seeds;

(e) olive oil and table olives, with regard to products falling within CN codes 1509, 1510 00, 0709 92 90, 0711 20 90, 2306 90 19, 1522 00 31 and 1522 00 39;

(f) flax and hemp, as far as hemp is concerned;

(g) fruit and vegetables;

(h) processed fruit and vegetables;

(i) bananas;

(j) wine;

(k) live plants;

(l) beef and veal;

(m) milk and milk products;

(n) pigmeat;

(o) sheepmeat and goatmeat;

(p) eggs;

(q) poultrymeat;

(r) agricultural ethyl alcohol.

2. Licences shall be issued by Member States to any applicant, irrespective of their place of establishment in the Union, unless an act adopted in accordance with Article 43(2) of the Treaty provides otherwise, and without prejudice to ~~**measures adopted for**~~ the application of ~~**this Chapter**~~ ***Articles 118,*** ~~**to**~~***119 and 120***.

3. Licences shall be valid throughout the Union.

Article 118

Delegated powers

1. ~~**Taking**~~ ***In order to take*** into account the ***international obligations of the Union and the applicable Union social, environmental and animal welfare standards, the need to monitor*** evolution of trade and market developments, ~~**the needs of the markets concerned and the monitoring**~~ of imports and exports of ~~**the**~~ products ~~**concerned**~~ ***the need for sound market management and the need to reduce the administrative burden***, the Commission shall be empowered to adopt ***delegated acts*** in accordance with Article 160 ~~**delegated acts, to**~~ determin***ing*~~**e**~~:
   (a) the list of ~~**agricultural**~~ ***the*** products ***of the sectors referred to in Article 117(1)*** subject to the presentation of an import or export licence;
   (b) the cases and situations where the presentation of an import or export licence is not required, ~~**based on, in particular**~~ ***taking account of*** the customs status of the products concerned, the trade arrangements to be respected, the purposes of operations, the legal status of the applicant and the quantities involved.

2. ~~**Taking into account the need**~~ ***In order*** to ~~**define the main**~~ ***provide further*** elements of the licence system, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 ~~**to**~~ ***laying down rules on***:
   (a) ~~**define**~~ the rights and obligations deriving from the licence, its legal effects, ***and the cases where*** a tolerance ***applies*** as regards the respect of the obligation to import or export ***the quantity mentioned in the licence or where the origin is to be indicated in the licence***~~**, and the indication of the origin and provenance where that is compulsory**~~;

(b) ~~**provide that**~~ the issue of an import licence or the release into free circulation ~~**shall**~~ be***ing*** subject to the presentation of a document issued by a third country or an entity certifying *inter alia* the origin, the authenticity and the quality characteristics of the products;

(c) ~~**establish the rules applicable to**~~ the transfer of the licence or restrictions on that transmissibility;

(d) ~~**establish the rules necessary for the reliability and the efficiency of the licence system**~~ ***additional conditions for import licences for hemp in accordance with Article 129*** and the ~~**situations where a specific**~~ ***principle of*** administrative assistance between Member States ~~**is needed**~~ to prevent or deal with cases of fraud and irregularities;

(e) ~~**determine**~~ the cases and situations where the lodging of a security guaranteeing that the products are imported or exported within the period of validity of the licence is or is not required.

Article 119

Implementing powers in accordance with the examination procedure

The Commission shall, by means of implementing acts, adopt ***the*** ~~**necessary**~~ measures ***necessary*** ~~**concerning**~~ ***for the application of*** this ~~**Section**~~ ***Chapter***, including rules on:

(aa) the format and content of the licence;

(a) the submission of applications and the issuing of licences and their use;

(b) the period of validity of the licence***, the procedures for*** and the amount of security to be ~~**submitted**~~ ***lodged***;

(c) the proof that the requirements for the use of licences have been fulfilled;

(ca) the level of the tolerance as regards the respect of the obligation to import or export the quantity mentioned in the licence;

(d) the issue of replacement licences and duplicate licences;

(e) the treatment of licences by Member States and the exchange of information needed for the management of the system***, including the procedures relating to the specific administrative assistance between Member States***.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 120

Other implementing powers

The Commission may, by means of implementing acts ***adopted without applying the procedure referred to in Article 162(2) or (3)***:

(a) limit the quantities for which licences may be issued;

(b) reject the quantities applied for; and

(c) suspend the submission of applications in order to manage the market where large quantities are applied for.

CHAPTER II

IMPORT DUTIES

Article 121

Implementation of international agreements *and certain other acts*

The Commission shall, by means of implementing acts, adopt measures to ***comply with requirements laid down in international agreements which have been*** ~~**implement international agreements**~~ concluded ***in accordance with*** ~~**under Article 218 of**~~ the Treaty or ***in*** any other ***relevant*** act adopted in accordance with Article 43(2) ***or 207*** of the Treaty or the Common Customs Tariff as regards the calculation of import duties for agricultural products. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 122

Entry price system for certain products of the fruit and vegetables, processed fruit and vegetables and wine sectors

1. For the application of the Common Customs Tariff duty rate for products of the fruit and vegetables and processed fruit and vegetables sectors and for grape juice and musts, the entry price of a consignment shall be equal to its customs value calculated in accordance with ~~**the provisions of**~~ ***Council*** Regulation (EC) No 2913/1992 ~~**of 12 October 1992 establishing the Community Customs Code**~~[1] (the Customs Code) and ***Commission*** Regulation (EC) No 2454/93 ~~**of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code**~~[2] ~~**(CCIP)**~~ ***implementing it***.

~~**2. For the purposes of application of Article 248 of CCIP, the checks to be carried out by the customs authorities to determine whether a security should be lodged shall include a check of the customs value against the unit value for the products concerned as referred to in point (c) of Article 30(2) of the Customs Code.**~~

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[1] ***Council Regulation (EC) No 2913/1992 of 12 October 1992 establishing the Community Customs Code (***OJ L 302, 19.10.1992, p. 10***)***.

[2] ***Commission Regulation (EC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code (***OJ L 253, 11.10.1993, p. 1***)***.

3. Taking into account the need to ensure the efficiency of the system, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 to provide that the ***veracity of the declared entry price of a consignment shall be checked using a flat-rate import value and to provide the conditions under which the lodging of a security is required*** ~~**checks carried out by the customs authorities referred to in paragraph 2 of this Article shall, in addition to, or as an alternative to, the check of the customs value against the unit value, include a check of the customs value against another value**~~.

The Commission shall, by means of implementing acts, adopt rules for the calculation of the ~~**other**~~ ***flat-rate import*** value referred to in the first subparagraph of this paragraph. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 123

Additional import duties

1. The Commission may, by means of implementing acts, determine the products of the cereals, rice, sugar, fruit and vegetables, processed fruit and vegetables, beef and veal, milk and milk products, pig meat, sheep meat and goat meat, eggs, poultry and bananas sectors, as well as of grape juice and grape must, to which, when imported subject to the rate of duty laid down in the Common Customs Tariff, an additional import duty shall apply in order to prevent or counteract adverse effects on the Union market which may result from those imports, if:
   (a) the imports are made at a price below the level notified by the Union to the WTO (the trigger price); or
   (b) the volume of imports in any year exceeds a certain level (the trigger volume).

   The trigger volume shall be based on market access opportunities defined as imports as a percentage of the corresponding domestic consumption during the three previous years.

   Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

2. Additional import duties shall not be imposed where the imports are unlikely to disturb the Union market, or where the effects would be disproportionate to the intended objective.

3. For the purposes of point (a) of paragraph 1, import prices shall be determined on the basis of the c.i.f. import prices of the consignment under consideration. C.i.f. import prices shall be checked against the representative prices for the product on the world market or on the Union import market for that product.

4. The Commission may, by means of implementing acts, adopt the ~~necessary~~ measures ***necessary*** for the application of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 124

Other implementing powers

The Commission may, by means of implementing acts ***adopted without applying the procedure referred to in Article 162(2) or (3)***:

(a) fix the level of the applied import duty in accordance with the rules set out in an international agreement concluded ***in accordance with*** ~~under Article 218 of~~ the Treaty, the Common Customs Tariff and ~~those adopted pursuant to~~ ***in the implementing acts referred to in*** Article 121 ~~of this Regulation~~;

(b) fix the representative prices and trigger volumes for the purposes of applying additional import duties in the framework of the rules adopted pursuant to the first sub-paragraph of Article 123(1).

CHAPTER III

TARIFF QUOTA MANAGEMENT AND SPECIAL TREATMENT OF IMPORTS BY THIRD COUNTRIES

Article 125

Tariff quotas

1. Tariff quotas for the import of agricultural products for release into free circulation in the Union ~~(~~or a part thereof~~)~~, or tariff quotas for imports of Union agricultural products into third countries which are to be partly or fully administered by the Union, resulting from ***international*** agreements concluded in accordance with ~~**Article 218 of**~~ the Treaty or any other act adopted in accordance with Article 43(2) ***or 207*** of the Treaty shall be opened and/or administered by the Commission by means of delegated ***acts pursuant to Article 126 of this Regulation*** and implementing acts pursuant to Articles ~~**126**~~ ***127*** ~~**to**~~ ***and*** 128 ***of this Regulation***.

2. Tariff quotas shall be administered in a manner which avoids any discrimination between the operators concerned, by applying one of the following methods or a combination of them or another appropriate method:
   (a) a method based on the chronological order of the submission of applications ('first come, first served' principle);
   (b) a method of distribution in proportion to the quantities requested when the applications were submitted (the 'simultaneous examination method');
   (c) a method based on taking traditional trade patterns into account (using the 'traditional/newcomers method').

3. The method of administration adopted shall:
   (a) for import tariff quotas***,*** give due weight to the supply requirements of the ***existing and emerging*** Union ***production, processing and consumption*** market ***in terms of competitiveness, certainty and continuity of supply*** and the need to safeguard the equilibrium of that market, ~~**or**~~ ***and***
   (b) for export tariff quotas, permit the full use of the possibilities available under the quota concerned.

Article 125a

Specific provision

In the case of tariff quotas for import into Spain of 2 000 000 tonnes of maize and 300 000 tonnes of sorghum and tariff quotas for import into Portugal of 500 000 tonnes of maize, the Commission shall be empowered to adopt delegated acts, in accordance with Article 160, establishing the provisions necessary for carrying out the tariff quota imports and, where appropriate, the public storage of the quantities imported by the paying agencies of the Member States concerned and their disposal on the markets of those Member States.

Article 126

Delegated powers

1. ~~**Taking into account the need**~~ ***In order*** to ensure fair access for the quantities available and an equal treatment of operators within the import tariff quota, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 ~~**to**~~:
   (a) determin***ing*** ~~**e**~~ the conditions and eligibility requirements that an operator has to fulfil to submit an application within the import tariff quota; the provisions concerned may require a minimum experience in trade with third countries and assimilated territories, or in processing activity, expressed in a minimum quantity and period of time in a given market sector; those provisions may include specific rules to suit the needs and practices in force in a certain sector and the uses and needs of the processing industries;
   (b) ~~**adopt provisions relating to**~~ ***establishing rules on*** the transfer of rights between operators and***,*** whe***re*** ~~**n**~~ necessary***,*** the limitations to transfer within the management of the import tariff quota;
   (c) mak***ing*** ~~**e**~~ the participation in the import tariff quota subject to the lodging of a security;
   (d) ***providing, where necessary,*** ~~**adopt all the necessary provisions**~~ for any particular specificities, requirements or restrictions applicable to the tariff quota as set out in the international agreement or other act referred to in Article 125(1).

2. ~~Taking into account the need~~ ***In order*** to ensure that exported products may benefit from a special treatment on importation into a third country under certain conditions, ~~in accordance with~~ ***pursuant to international*** agreements concluded by the Union in accordance with ~~Article 218 of~~ the Treaty, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 of this Regulation ***concerning rules*** requiring the competent authorities of the Member States to issue, on request and after appropriate checks, a document certifying that the conditions are met for products that, if exported, may benefit from a special treatment on importation into a third country if certain conditions are respected.

Article 127

Implementing powers in accordance with the examination procedure

~~1.~~ The Commission may, by means of implementing acts, lay down:

(a) the annual tariff quotas, if necessary suitably phased over the year**,** and ~~shall determine~~ the method of administration to be used;

(b) ~~rules~~***procedures*** for the application of the specific provisions laid down in the agreement or act adopting the import or export regime, in particular, on:

(i) guarantees covering the nature, provenance and origin of the product;

(ii) recognition of the document used for verifying the guarantees referred to in point (i);

(iii) the presentation of a document issued by the exporting country;

(iv) destination and use of the products;

(c) the period of validity of the licences or of the authorisations;

(d) the ~~amounts~~ ***procedures for and the amount*** of the security ***to be lodged***;

(e) the use of licences, and, whe***re***~~n~~ necessary, specific ~~rules~~ ***measures*** relating to, in particular, the conditions under which applications for import shall be submitted and authorisation granted within the tariff quota;

(f) necessary measures ~~related to~~ ***concerning the content, form, issuance and use of*** the document referred to in Article 126(2)~~.~~***;***

(g) procedures and technical criteria for the application of Article 125a.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 128

Other implementing powers

1. The Commission shall, by means of implementing acts ***adopted without applying the procedure referred to in Article 162(2) or (3)***, adopt provisions to manage the process guaranteeing that the quantities available within the tariff quota are not exceeded, in particular by fixing an allocation coefficient to each application when the available quantities are reached, rejecting pending applications and whe***re*** ~~n~~ necessary ~~to~~ suspend***ing*** the submission of applications.

2. The Commission may, by means of implementing acts ***adopted without applying the procedure referred to in Article 162(2) or (3)***, adopt provisions for the reallocation of the unused quantities.

CHAPTER IV

SPECIAL IMPORT PROVISIONS FOR CERTAIN PRODUCTS

Article 129

Imports of hemp

1. The following products may be imported into the Union ***only*** if the following conditions are met:

   (a) raw true hemp falling within CN code 5302 10 00 meeting the conditions laid down in Article~~s~~ 25(3) and ***in point (h) of*** 28 of Regulation (EU) No […]***[direct payments Regulation]*** ~~**establishing rules for direct payment to farmers under support schemes within the framework of the common agricultural policy**~~;

   (b) seeds of varieties of hemp falling within CN code ex 1207 99 ~~**15**~~***20*** for sowing accompanied by proof that the tetrahydrocannabinol level of the variety concerned does not exceed that fixed in accordance with Articles 25(3) and 28(h) of Regulation (EU) No […]***[direct payments Regulation]***~~**establishing rules for direct payment to farmers under support schemes within the framework of the common agricultural policy**~~;

   (c) hemp seeds other than for sowing, falling within CN code 1207 99 91 imported only by importers authorised by the Member State in order to ensure that such seeds are not intended for sowing.

2. This Article shall apply without prejudice to more restrictive rules adopted by Member States in compliance with the Treaty and the obligations under the WTO Agreement on Agriculture.

Article 129a

Imports of hops

1. Products of the hops sector may be imported from third countries only if their quality standards are at least equivalent to those adopted for like products harvested within the Union or made from such products.

2. Products shall be considered as being of the standard referred to in paragraph 1 if they are accompanied by an attestation issued by the authorities of the country of origin and recognised as equivalent to the certificate referred to in Article 59b.
In the case of hop powder, hop powder with higher lupulin content, extract of hops and mixed hop products, the attestation may be recognised as being equivalent to the certificate only if the alpha acid content of these products is not lower than that of the hops from which they have been prepared.

3. In order to minimise the administrative burden, the Commission shall be empowered to adopt delegated acts, in accordance with Article 160, setting the conditions under which obligations related to an attestation of equivalence and the labelling of packaging are not to apply.

4. The Commission shall, by means of implementing acts, adopt the measures necessary for the application of this Article, including the rules on the recognition of attestations of equivalence and on the checking of imports of hops. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 130

Derogations for imported products and special security in the wine sector

Derogations from point 5 of Section B or Section C of Part II of Annex VII for imported products may be adopted in accordance with Article 43(2) of the Treaty, pursuant to the international obligations of the Union.

In the case of derogations from point 5 of Section B of Part II of Annex VII importers shall lodge a security for those products with the designated customs authorities at the time of release into free circulation. The security shall be released on the presentation of proof by the importer, to the satisfaction of the customs authorities of the Member State of release into free circulation, that:

(a) the products have not benefited from the derogations or,
(b) if they have benefited from the derogations, the products have not been vinified, or if they have been vinified, the resulting products have been appropriately labelled.

The Commission may, by means of implementing acts, lay down rules to ensure the uniform application of this Article, including on the amounts of the security and appropriate labelling. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 130a

Import of raw sugar for refining

1. Until the end of the 2016-2017 marketing year, an exclusive import capacity of 2 500 000 tonnes per marketing year, expressed in white sugar, shall be granted to full-time refiners.

2. The sole sugar beet processing plant at work in 2005 in Portugal shall be deemed to be a full-time refiner.

3. Import licences for sugar for refining shall be issued only to full-time refiners provided that the quantities concerned do not exceed the quantities referred to in paragraph 1. The licences may be transferred only between full-time refiners and their validity expires at the end of the marketing year for which they have been issued.

This paragraph shall apply for the first three months of each marketing year.

4. Taking into account the need to ensure that imported sugar for refining is refined in accordance with this Article, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 laying down:

(a) the use of terms for the operation of the import arrangements referred to in paragraph 1;

(b) the conditions and eligibility requirements that an operator has to fulfil to lodge an application for an import licence, including the lodging of a security;

(c) rules on administrative penalties to be charged.

5. The Commission may adopt implementing acts laying down the necessary rules concerning the supporting documents to be supplied in connection with the requirements and obligations applicable to importers, and in particular to full-time refiners. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 130b

Suspension of import duties in the sugar sector

Until the end of the 2016-2017 marketing year, the Commission may, by means of implementing acts, suspend import duties in whole or in part for certain quantities in respect of the following products to guarantee the supply necessary for the manufacturing of products referred to in Article 101m:

(a) sugar falling within CN code 1701;

(b) isoglucose falling within CN codes 1702 30 10, 1702 40 10, 1702 60 10 and 1702 90 30.

These implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

CHAPTER V

SAFEGUARD AND INWARD PROCESSING

Article 131

Safeguard measures

1. Safeguard measures against imports into the Union shall be taken by the Commission, subject to paragraph 3 of this Article, in accordance with Council Regulations (EC) No 260/2009 ~~**of 26 February 2009 on the common rules for imports**~~ [1] and (EC) No 625/2009 ~~**of 7 July 2009 on common rules for imports from certain third countries**~~ [2].

2. Save as otherwise provided for ~~**pursuant to**~~ ***in*** any other act of the European Parliament and the Council and any other act of the Council, safeguard measures against imports into the Union provided for in international agreements concluded in accordance with ~~**Article 218 of**~~ the Treaty shall be taken by the Commission in accordance with paragraph 3 of this Article.

3. The Commission may, by means of implementing acts, take measures referred to in paragraphs 1 and 2 of this Article at the request of a Member State or on its own initiative. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

   Where the Commission receives a request from a Member State, it shall, by means of implementing acts, take a decision thereon within five working days following the receipt of the request. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

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[1] ***Council Regulation (EC) No 260/2009 of 26 February 2009 on the common rules for imports (***OJ L 84, 31.3.2009, p. 1***)***.

[2] ***Council Regulation (EC) No 625/2009 of 7 July 2009 on common rules for imports from certain third countries (***OJ L 185, 17.7.2009, p. 1***)***.

On duly justified ***imperative*** grounds of urgency, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 162(3).

The measures adopted shall be communicated to the Members States and shall take effect immediately.

4. The Commission may, by means of implementing acts, revoke or amend Union safeguard measures adopted pursuant to paragraph 3 of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2). On duly justified ***imperative*** grounds of urgency, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 162(3).

Article 132

Suspension of processing and inward processing arrangements

~~1.~~ Where the Union market is disturbed or is liable to be disturbed by processing or inward processing arrangements, the Commission may, by means of implementing acts, at the request of a Member State or on its own initiative, fully or partially suspend the use of processing or inward processing arrangements for the products of the cereals, rice, sugar, olive oil and table olives, fruit and vegetables, processed fruit and vegetables, wine, beef and veal, milk and milk products, pigmeat, sheepmeat and goatmeat, eggs, poultrymeat and agricultural ethyl alcohol sectors. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Where the Commission receives a request from a Member State, it shall, by means of implementing acts, take a decision thereon within five working days following the receipt of the request. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

On duly justified ***imperative*** grounds of urgency, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 162(3).

The measures adopted shall be communicated to the Members States and shall take effect immediately.

~~**2. To the extent necessary for the proper functioning of the CMO, the use of inward processing arrangements for the products referred to in paragraph 1 may be fully or partially prohibited by the European Parliament and the Council, acting in accordance with the procedure laid down in Article 43(2) of the Treaty.**~~

CHAPTER VI

EXPORT REFUNDS

Article 133

Scope

1. To the extent necessary to enable exports on the basis of world market quotations or prices ***when conditions on the internal are such as described in Article 154(1) or Article 156*** and within the limits resulting from ***international*** agreements concluded in accordance with ~~**Article 218 of**~~ the Treaty, the difference between those quotations or prices and prices in the Union may be covered by export refunds for:

   (a) the products of the following sectors to be exported without further processing:

      (i) cereals;

      (ii) rice;

      (iii) sugar, with regard to the products listed in points (b) to (d) and (g) of Part III of Annex I;

      (iv) beef and veal;

      (v) milk and milk products;

      (vi) pigmeat;

      (vii) eggs;

      (viii) poultrymeat;

   (b) the products listed in points (i) to (iii), (v) and (vii) of point (a) of this paragraph to be exported in the form of processed goods in accordance with Council Regulation (EC) No 1216/2009 ~~**of 30 November 2009 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products**~~[1], and in the form of the products containing sugar listed in point (b) of Part X of Annex I.

2. Export refunds on products exported in the form of processed goods shall not be higher than those applicable to the same products exported without further processing.

[1] ***Council Regulation (EC) No 1216/2009 of 30 November 2009 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products (***OJ L 328, 15.12.2009, p. 10***)***.

2a. Without prejudice to the application of Article 154(1) and Article 156, the refund available for the products referred to in paragraph 1 shall be EUR 0.

~~**3. The Commission shall, by means of implementing acts, adopt necessary measures for the application of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).**~~

Article 134

Export refund distribution

The ***method of allocation for*** quantities which may be exported with an export refund**,** shall be ~~**allocated by**~~ the ***one that*** ~~**method which**~~:

(a) is most suited to the nature of the product and the situation on the relevant market, allowing the most efficient use of the resources available, taking into account the efficiency and structure of Union exports and their impact on the market balance without creating discrimination between the operators concerned and in particular between large and small operators;

(b) is least cumbersome administratively for operators, taking into account the administrative requirements.

Article 135

Export refund fixation

1. The same export refunds shall apply to the same products in the whole Union. They may vary according to destination, especially where the world market situation, the specific requirements of certain markets, or obligations resulting from ***international*** agreements concluded in accordance with ~~**Article 218 of**~~ the Treaty make this necessary.

2. Measures on the fixing of refunds shall be taken by the Council in accordance with Article 43(3) of the Treaty.

Article 136

Granting of export refund

1. Refunds on products listed in point (a) of Article 133(1) exported as such without further processing shall only be granted on application and on presentation of an export licence.

2. The refund applicable to products listed in point (a) of Article 133(1) shall be the one applicable on the day of application for the licence or the one resulting from the tendering procedure concerned and, in the case of a differentiated refund, the refund applicable on the same day:
   (a) for the destination indicated on the licence; or
   (b) for the actual destination if it differs from the destination indicated on the licence, in which case the amount applicable shall not exceed the amount applicable to the destination indicated on the licence.

   ~~**The Commission may, by means of implementing acts, take appropriate measures to prevent abuse of the flexibility provided for in this paragraph. These measures may, in particular, relate to the procedure for submitting applications.**~~

~~**3. Taking into account the need to ensure equality of access to export refunds for exporters of products listed in Annex I to the Treaty, and of products processed thereof, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 of this regulation to apply paragraphs 1 and 2 of this Article to products referred to in point (b) of Article 133(1) of this Regulation.**~~

~~**The Commission may, by means of implementing acts, adopt necessary measures for the application of this paragraph. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).**~~

4. The refund shall be paid upon submission of proof that:
   (a) the products have ~~**exited**~~ ***left*** the customs territory of the Union in accordance with the export procedure referred to in Article 161 of the Customs Code;
   (b) in the case of a differentiated refund, the products have been imported into the destination indicated on the licence or another destination for which a refund was fixed, without prejudice to point (b) of paragraph 2.

Article 137

Export refunds for live animals in the beef and veal sector

~~**1.**~~ With regard to products of the beef and veal sector, the granting and the payment of the refund for exports of live animals shall be subject to compliance with the animal welfare requirements established in the Union legislation and, in particular, the protection of animals during transport.

~~**2. Taking into account the need to encourage exporters to respect animal welfare conditions and to enable the competent authorities to verify correct expenditure of export refunds where that is conditional on respect for animal welfare requirements, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 on the respect of animal welfare requirements outside the customs territory of the Union, including the use of independent third parties.**~~

~~**3. The Commission may, by means of implementing acts, adopt necessary measures for the application of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).**~~

Article 138

Export limits

The volume commitments resulting from the ***international*** agreements concluded in accordance with ~~**Article 218 of**~~ the Treaty shall be respected on the basis of export licences issued for the reference periods applying to the products concerned.

~~**The Commission may adopt implementing acts necessary to respect the volume commitments, including ceasing or limiting the issue of export licences when such commitments are or can be exceeded.**~~ With regard to compliance with the obligations under the WTO Agreement on Agriculture, the ending of a reference period shall not affect the validity of export licences.

Article 139

Delegated powers

~~**1. The Commission shall be empowered to adopt delegated acts in accordance with Article 160 to provide for measures listed in paragraphs 2 to 6 of this Article.**~~

~~**2. Taking into account the need to ensure that operators respect their obligations when participating in tendering procedures, the Commission shall, by means of delegated acts, designate the primary requirement for release of licence securities for tendered export refunds.**~~

2a. In order to ensure the proper functioning of the export refund system, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 laying down the obligation to lodge a security guaranteeing the execution of operators' obligations.

3. ~~**Taking into account the need**~~ ***In order*** to minimise the administrative burden for operators and authorities, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160*** ~~**may, by means of delegated acts,**~~ set***ting*** thresholds below which the obligation to issue or present an export licence may not be required, designate destinations or operations where an exemption for the obligation to present an export licence may be justified and permit export licences to be granted ex-post in justified situations.

4. ~~**Taking into account the need**~~ ***In order*** to ~~**adhere to**~~ ***address*** practical situations justifying full or partial eligibility to export refunds and to help operators bridge the period between the application and the final payment of the export refund, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160*** ~~**may, by means of delegated acts, adopt measures**~~ concerning ***rules on:***

(a) another date for the refund;

~~**(b) the consequences for the payment of the export refund when the product code or destination mentioned in a licence is not in conformity with the actual product or destination;**~~

(c) advance payment of export refunds including the conditions for the lodging and release of a security;

(d) ~~checks and proof~~ ***additional proofs*** when doubts on the real destination of products exist and the opportunity for re-importation into the customs territory of the Union;

(e) destinations treated as exports from the Union, and inclusion of destinations within the customs territory of the Union eligible for export refunds.

4a. In order to ensure equality of access to export refunds for exporters of products listed in Annex I to the Treaty and of products processed thereof, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 on the application of Article 136(1) and (2) to products referred to in point (b) of Article 133(1).

5. ~~Taking into account the need~~ ***In order*** to ensure that products benefiting from export refunds are exported from the customs territory of the Union and to avoid their return to that territory~~,~~ and to minimise the administrative burden for operators in generating and submitting proof that refund products reached a country of destination for differentiated refunds, the Commission ***shall be empowered to adopt delegated acts in accordance with Article 160*** ~~may, by means of delegated acts, adopt measures~~ concerning ***rules on:***

(a) the time limit by which the exit from the customs territory of the Union must be finalised, including the time for temporary re-entry;

(b) the processing that products benefiting from export refunds may undergo during that period;

(c) the proof of having reached a destination for differentiated refunds;

(d) the refund thresholds and conditions under which exporters may be exempted from such proof;

(e) conditions for approval of proof of reaching a destination for differentiated refunds by independent third parties.

5a. In order to encourage exporters to respect animal welfare conditions and in order to enable the competent authorities to verify correct expenditure of export refunds where that is conditional on respect for animal welfare requirements, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 on the respect of animal welfare requirements outside the customs territory of the Union, including the use of independent third parties.

6. ~~Taking~~ ***In order to take*** into account the specificities of the different sectors the Commission may, by means of delegated acts, adopt specific requirements and conditions for operators and of the products eligible for an export refund~~, the definition and characteristics of the products~~, and the establishment of coefficients for the purposes of calculating export refunds ***taking into account the ageing process of certain spirit drinks obtained from cereals***.

Article 140

Implementing powers in accordance with the examination procedure

The Commission shall***,*** by means of implementing acts, adopt ~~necessary~~ ***the*** measures ***necessary*** for the application of this ~~Section~~ ***Chapter***, in particular:

(a) on the redistribution of exportable quantities which have not been allocated or utilised;

(aa) on the method for recalculation of the payment of the export refund when the product code or destination mentioned in a licence is not in conformity with the actual product or destination;

(b) on products referred to in point (b) of Article 133(1)***;***

(c) on the procedures for and the amount of the security to be lodged;

(d) on the application of measures adopted pursuant to Article 139(4a).

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 141

Other implementing powers

The Commission may, by means of implementing acts ***adopted without applying the procedure referred to in Article 162(2) or (3):***

(a) ***lay down appropriate measures to prevent abuse of the flexibility provided for in Article 136(2), in particular concerning the procedure for submitting applications;***

(b) ***lay down the measures necessary to respect the volume commitments referred to in Article 138, including ceasing or limiting the issue of export licences when such commitments are or can be exceeded;***

(c) fix coefficients ***which apply to the*** ~~**adjusting**~~ export refunds in accordance with the rules adopted pursuant to Article 139(6).

CHAPTER VII

OUTWARD PROCESSING

Article 142

Suspension of outward processing arrangements

~~**1.**~~ Where the Union market is disturbed or could be disturbed by outward processing arrangements, the Commission may, by means of implementing acts, on a request from a Member State or on its own initiative, fully or partially suspend the use of outward processing arrangements for the products of the cereals, rice, fruit and vegetables, processed fruit and vegetables, wine, beef and veal, pigmeat, sheepmeat and goatmeat and poultrymeat sectors. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Where the Commission receives a request from a Member State, it shall, by means of implementing acts, take a decision thereon within five working days following receipt of the request. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

On duly justified ***imperative*** grounds of urgency, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 162(3).

The measures adopted shall be communicated to the Members States and shall take effect immediately.

~~**2. To the extent necessary for the proper functioning of the CMO, the use of outward processing arrangements for the products listed in paragraph 1 may be fully or partially prohibited by the European Parliament and the Council, acting in accordance with the procedure laid down in Article 43(2) of the Treaty.**~~

PART IV

COMPETITION RULES

CHAPTER I

RULES APPLYING TO UNDERTAKINGS

Article 143

Commission guidelines on the ~~A~~application of ~~Articles 101 to 106 of the Treaty~~ competition rules to agriculture

Save as otherwise provided in this Regulation***, in accordance with Article 42 of the Treaty,*** Articles 101 to 106 of the Treaty and implement***ing*~~ation~~** provisions there***to*** ~~**of**~~ shall, subject to Articles ~~**144**~~ ***143a*** to 145 of this Regulation, apply to all agreements, decisions and practices referred to in Article 101(1) and Article 102 of the Treaty which relate to the production of, or trade in, agricultural products.

In order to ensure the functioning of the internal market and the uniform application of Union competition rules, the Commission and the competition authorities of the Member States shall apply the Union competition rules in close cooperation.

In addition, the Commission shall, where appropriate, publish guidelines to assist the national competition authorities, as well as undertakings.

Article 143a

Relevant market

The definition of the relevant market is a tool to identify and define the boundaries of competition between firms, and shall be founded on two cumulative elements:

(a) the relevant product market: for the purposes of this Chapter, 'product market' means the market comprising all those products which are regarded as interchangeable or substitutable by the consumer by reason of the products' characteristics, their prices and their intended use;

(b) the relevant geographic market: for the purposes of this Chapter, 'geographic market' means the market comprising the area in which the firms concerned are involved in the supply of the relevant products, in which the conditions of competition are sufficiently homogeneous and which can be distinguished from neighbouring areas, particularly because the conditions of competition are appreciably different in those areas.

Article 143b

Dominant position

For the purposes of this Chapter, 'dominant position' means a position of economic strength enjoyed by an undertaking which enables it to prevent effective competition being maintained in the relevant market by giving it the power to behave to an appreciable extent independently of its competitors, customers and ultimately of consumers.

Article 144

Exceptions for the objectives of the CAP and farmers and their associations

1. Article 101(1) of the Treaty shall not apply to the agreements, decisions and practices referred to in Article 143 of this Regulation necessary for the attainment of the objectives set out in Article 39 of the Treaty.

   ~~**In particular,**~~ Article 101(1) of the Treaty shall not apply to agreements, decisions and ***concerted*** practices of farmers, farmers' associations, or associations of such associations, or producer organisations recognised under Article 106 of this Regulation, or associations of producer organisations recognised under Article 107 of this Regulation, which concern the production or sale of agricultural products or the use of joint facilities for the storage, treatment or processing of agricultural products, ~~**and under which there is no obligation to charge identical prices, unless competition is thereby excluded or**~~ ***unless*** the objectives of Article 39 of the Treaty are jeopardised.

The present paragraph shall not apply to agreements, decisions and concerted practices which entail an obligation to charge an identical price or by which competition is excluded.

2. ***Agreements, decisions and concerted practices which fulfil the conditions referred to in paragraph 1 shall not be prohibited, nor prior decision to that effect been required.***
In any national or Union proceedings for the application of Article 101 of the Treaty, the burden of proving an infringement of Article 101(1) of the Treaty shall rest on the party or the authority alleging the infringement. The party claiming the benefit of the exemptions provided in paragraph 1 shall bear the burden of proving that the conditions of that paragraph are fulfilled.

~~**2. After consulting the Member States and hearing the undertakings or associations of undertakings concerned and any other natural or legal person that it considers appropriate, the Commission shall have sole power, subject to review by the Court of Justice, to determine, by adopting, by means of implementing acts, a Decision which shall be published, which agreements, decisions and practices fulfil the conditions specified in paragraph 1.**~~

~~**The Commission shall undertake such determination either on its own initiative or at the request of a competent authority of a Member State or of an interested undertaking or association of undertakings.**~~

~~**3. The publication of the Decision referred to in the first subparagraph of paragraph 2 shall state the names of the parties and the main content of the decision. It shall have regard to the legitimate interest of undertakings in the protection of their business secrets.**~~

Article 145

Agreements and concerted practices of recognised interbranch organisations

1. Article 101(1) ~~**of the Treaty**~~ ***TFEU*** shall not apply to the agreements, decisions and concerted practices of interbranch organisations recognised under Article 108 of this Regulation with the object of carrying out the activities listed in point (c) of Article 108(1) ***and point (c) of Article 108(2)*** of this Regulation, and for the olive oil and table olive and tobacco sectors, Article ~~**108(2)**~~ ***109d*** of this Regulation.

2. Paragraph 1 shall apply only provided that:
   (a) the agreements, decisions and concerted practices have been notified to the Commission;
   (b) within two months of receipt of all the details required the Commission, ~~**by means of implementing acts,**~~ has not found that the***se*** agreements, decisions or concerted practices are incompatible with Union rules. ***Where the Commission does find that they are incompatible with Union rules, it shall set out its finding without applying the procedure referred to in Article 162(2) or (3).***

3. The agreements, decisions and concerted practices ***referred to in paragraph 1*** may not be put into effect before the lapse of the ***two-month*** period referred to in paragraph 2(b).

4. Agreements, decisions and concerted practices shall in any case be declared incompatible with Union rules if they:
   (a) may lead to the partitioning of markets within the Union in any form;
   (b) may affect the sound operation of the market organisation;
   (c) may create distortions of competition which are not essential to achieving the objectives of the CAP pursued by the interbranch organisation activity;
   (d) entail the fixing of prices or the fixing of quotas;
   (e) may create discrimination or eliminate competition in respect of a substantial proportion of the products in question.

5. If, following expiry of the two-month period referred to in paragraph 2(b), the Commission finds that the conditions for applying paragraph 1 have not been met, it shall***, without applying the procedure referred to in Article 162(2) or (3)***, ~~**by means of implementing acts,**~~ take a ~~**D**~~***d***ecision declaring that Article 101(1) of the Treaty applies to the agreement, decision or concerted practice in question.

That Commission ~~**D**~~***d***ecision shall not apply earlier than the date of its notification to the interbranch organisation concerned, unless that interbranch organisation has given incorrect information or abused the exemption provided for in paragraph 1.

6. In the case of multiannual agreements, the notification for the first year shall be valid for the subsequent years of the agreement. However, in that event, the Commission may, on its own initiative or at the request of another Member State, issue a finding of incompatibility at any time.

7. The Commission may adopt implementing acts laying down measures necessary for the uniform application of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

CHAPTER II

STATE AID RULES

Article 146

Application of Articles 107 to 109 of the Treaty

1. ~~**Subject to paragraph 2,**~~ Articles 107 to 109 of the Treaty shall apply to the production of, and trade in, agricultural products.

2. ***By way of derogation from paragraph 1,*** Articles 107 to 109 of the Treaty shall not apply to payments made by Member States pursuant to and in conformity with ***any of the following***:
   (a) the measures provided for in this Regulation which are partly or wholly financed by the Union***;*** ~~**; or**~~
   (b) the provisions of Articles ~~**147**~~***148*** to 153 of this Regulation.

Article 147

National payments related to wine support programmes

By way of derogation from Article 41(3), Member States may grant national payments in accordance with the Union rules on State aid for the measures referred to in Articles 43, 47 and 48. The maximum aid rate as laid down in the relevant Union rules on state aid shall apply to the global public financing, including both Union and national funds.

Article 148

National payments for reindeer in Finland and Sweden

Subject to an authorisation by the Commission ***without applying the procedure referred to in Article 162(2) or (3)*** ~~**, by means of implementing acts,**~~ national payments for the production and marketing of reindeer and reindeer products (CN ex 0208 and ex 0210) may be made by Finland and Sweden insofar as they do not entail any increase in traditional levels of production.

Article 149

National payments for the sugar sector in Finland

Finland may make national payments of up to EUR 350 per hectare per marketing year to sugar beet growers.

Article 150

National payments for apiculture

Member States may make national payments for the protection of apiaries disadvantaged by structural or natural conditions or under economic development programmes, except for those allocated for production or trade.

Article 151

National payments for distillation of wine in cases of crisis

1. Member States may make national payments to wine producers for the voluntary or mandatory distillation of wine in justified cases of crisis.

~~**2. The payments referred to in paragraph 1**~~ ***Those payments*** shall be proportionate and allow that crisis to be addressed.

~~**3.**~~ The overall amount of payments available in a Member State in any given year for such payments shall not exceed 15 % of the globally available funds per Member State for that year as laid down in Annex IV.

4. Member States wishing to make use of the national payments referred to in paragraph 1 shall submit a duly substantiated notification to the Commission. The Commission shall~~**, by means of implementing acts,**~~ decide ***without applying the procedure referred to in Article 162(2) or (3)*** whether the measure is approved and whether the payments may be made.

5. The alcohol resulting from distillation referred to in paragraph 1 shall be used exclusively for industrial or energy purposes so as to avoid distortion of competition.

6. The Commission may, by means of implementing acts, adopt ~~necessary~~ ***the*** measures ***necessary*** for the application this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 152

National payments for distribution of products to children

Member States may, in addition to Union aid provided for in Articles 21 and 24, make national payments for supplying the products to children in educational establishments or for the related costs referred to in Article 21(1).

Member States may finance those payments by means of a levy on the sector concerned or by any other contribution from the private sector.

Member States may, in addition to Union aid provided for in Article 21, make national payments for financing accompanying measures necessary to make the Union scheme for the supply of fruit and vegetable, processed fruit and vegetable and banana products effective, as ~~**provided for**~~ ***referred to*** in Article 21(2).

Article 153

National payments for nuts

1. Member States may make national payments, up to a maximum of EUR 120,75 per hectare per year, to farmers producing the following products:
   (a) almonds falling within CN codes 0802 11 and 0802 12;
   (b) hazelnuts or filberts falling within CN codes 0802 21 and 0802 22;
   (c) walnuts falling within CN codes 0802 31 and 0802 32;
   (d) pistachios falling within CN code 0802 ~~**50**~~***51 00 and 0802 52 00***;
   (e) locust beans falling within CN code 1212 ~~**99 30**~~***92 00***.

2. The national payments ***referred to in paragraph 1*** may be paid only for a maximum area of:

Member State	Maximum area (ha)
Belgium	100
Bulgaria	11 984
Germany	1 500
Greece	41 100
Spain	568 200
France	17 300
Italy	130 100
Cyprus	5100
Luxembourg	100
Hungary	2 900
Netherlands	100
Poland	4 200
Portugal	41 300
Romania	1 645
Slovenia	300
Slovakia	3 100
United Kingdom	100

3. Member States may make the granting of national payments ***referred to in paragraph 1*** conditional on farmers being members of a producer organisation recognised under Article 106.

PART V

GENERAL PROVISIONS

CHAPTER I

EXCEPTIONAL MEASURES

SECTION 1

MARKET DISTURBANCE

Article 154

Measures against market disturbance

1. ~~**Taking into account the need**~~ ***In order*** to react efficiently and effectively against threats of market disturbance caused by significant price rises or falls on internal or external markets or ~~**any**~~ other ~~**factors affecting the market**~~ ***events and circumstances significantly disturbing or threatening to disturb the market***, ***where that situation or its effects on the market is likely to continue or deteriorate,*** the Commission shall be empowered to adopt delegated acts in accordance with Article 160 to take the ~~**necessary**~~ measures ***necessary to address that market situation,*** ~~**for the sector concerned**~~ ***while,*** ~~**,**~~ respecting any obligations resulting from ***international*** agreements concluded in accordance with ~~**Article 218 of**~~ the Treaty ***and provided that any other measures available under this Regulation appear insufficient.***

Where in the cases of threats of market disturbances referred to in the first subparagraph, imperative grounds of urgency so require, the procedure provided for in Article 161 of this Regulation shall apply to delegated acts adopted pursuant to this paragraph.

Those imperative grounds of urgency may include the necessity to take immediate action to address or prevent market disturbance, where threats of market disturbance occur so swiftly or unexpectedly that immediate action is necessary to efficiently and effectively address the situation, or where action would prevent such threats of market disturbance from materialising, continuing or turning into a more severe or prolonged disturbance, or where delaying immediate action would threaten to cause or aggravate the disturbance or would increase the extent of the measures which would later be necessary to address the threat or disturbance or be detrimental to production or market conditions.

Such measures may to the extent and for the time necessary ***to address the market disturbance or threat thereof*** extend or modify the scope, duration or other aspects of other measures provided for under this Regulation, ***or provide for export refunds,*** or suspend import duties in whole or in part including for certain quantities or periods as necessary.

2. The measures referred to in paragraph 1 shall not apply to products listed in Section 2 of Part XXIV of Annex I.

However, the Commission may, by means of delegated acts adopted in accordance with the urgency procedure referred to in Article 161, decide that the measures referred to in paragraph 1 shall apply to one or more of the products listed in Section 2 of Part XXIV of Annex I.

3. The Commission may, by means of implementing acts, adopt necessary ***procedural*** rules ***and technical criteria*** for the application of paragraph 1 of this Article. Those rules may, in particular, concern procedures and technical criteria. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

SECTION 2

MARKET SUPPORT MEASURES RELATED TO ANIMAL DISEASES AND LOSS OF CONSUMER CONFIDENCE DUE TO PUBLIC, ANIMAL OR PLANT HEALTH RISKS

Article 155

Measures concerning animal diseases and loss of consumer confidence due to public, animal or plant health risks

1. The Commission may, by means of implementing acts, adopt exceptional support measures ***for the affected market***:

   (a) ~~**for the affected market**~~ in order to take account of restrictions on intra-Union and third-country trade which may result from the application of measures for combating the spread of diseases in animals, and

   (b) in order to take account of serious market disturbances directly attributed to a loss in consumer confidence due to public, animal or plant health risks ***and disease***.

   Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

2. The measures provided for in paragraph 1 shall apply to ***any of*** the following sectors:

   (a) beef and veal;

   (b) milk and milk products;

   (c) pigmeat;

   (d) sheepmeat and goatmeat;

   (e) eggs;

   (f) poultrymeat.

   The measures provided for in point (b) of paragraph 1 related to a loss in consumer confidence due to public or plant health risks shall also apply to all other agricultural products except those listed in Section 2 of Part XXIV of Annex I.

   The Commission may, by means of delegated acts adopted in accordance with the urgency procedure referred to in Article 161, extend the list of products in the first two subparagraphs of this paragraph.

3. The measures provided for in paragraph 1 shall be taken at the request of the Member State concerned.

4. The measures provided for in point (a) of ***the first subparagraph of*** paragraph 1 may be taken only if the Member State concerned has taken health and veterinary measures quickly to stamp out the disease, and only to the extent and for the duration strictly necessary to support the market concerned.

5. The Union shall provide part-financing equivalent to 50 % of the expenditure borne by Member States for the measures provided for in paragraph 1.

   However, with regard to the beef and veal, milk and milk products, pigmeat and sheepmeat and goatmeat sectors, the Union shall provide part-financing equivalent to 60 % of such expenditure when combating foot-and-mouth disease.

6. Member States shall ensure that, where producers contribute to the expenditure borne by Member States, this does not result in distortion of competition between producers in different Member States.

SECTION 3

SPECIFIC PROBLEMS

Article 156

Measures to resolve specific problems

1. The Commission shall, by means of implementing acts, adopt necessary and justifiable emergency measures to resolve specific problems. Those measures may derogate from the provisions of this Regulation only to an extent that is strictly necessary and for a period that is strictly necessary. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

2. To resolve specific problems, on duly justified ***imperative*** grounds of urgency, ***relating to situations likely to cause a rapid deterioration of production and market conditions which could be difficult to address if the adoption of measures were delayed,*** the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 162(3).

3. The Commission shall adopt measures under paragraph 1 or 2 only if it is not possible to adopt the required emergency measures in accordance with Article 154 or 155.

4. Measures adopted under paragraph 1 or 2 shall remain in force for a period not exceeding twelve months. If after this period the specific problems that have lead to the adoption of those measures persist, the Commission may, in order to establish a permanent solution, adopt delegated acts in accordance with Article 160 or present appropriate legislative proposals.

5. The Commission shall inform the European Parliament and the Council of any measure adopted under paragraph 1 or 2 within two working days of its adoption.

SECTION 3A

AGREEMENTS AND DECISIONS DURING PERIODS OF SEVERE IMBALANCE IN MARKETS

Article 156c

Application of Article 101(1) of the Treaty

1. During periods of severe imbalance in markets, the Commission may adopt implementing acts to the effect that Article 101(1) of the Treaty shall not apply to agreements and decisions of recognised producer organisations, their associations and recognised interbranch organisations in any of the sectors referred to in Article 1(2) of this Regulation, provided that such agreements and decisions do not undermine the proper functioning of the single market, strictly aim to stabilise the sector concerned and fall under one or more of the following categories:

(a) market withdrawal or free distribution of their products;

(b) transformation and processing;

(c) storage by private operators;

(d) joint promotion measures;

(e) agreements on quality requirements;

(f) joint purchasing of inputs necessary to combat the spread of pests and diseases in animals and plants in the Union or of inputs necessary to address the effects of natural disasters in the Union;

(g) temporary planning of production taking into account the specific nature of the production cycle.

The Commission shall specify in its implementing act the substantive and geographic scope of this derogation and, subject to paragraph 3, the period for which the derogation applies.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

2. Paragraph 1 shall apply only if the Commission has already adopted one of the measures referred to in this Chapter if products have been bought in under public intervention or if aid for private storage referred to in Chapter I of Title I of Part II has been granted.

3. The agreements and decisions referred to in paragraph 1 shall only be valid for a period of up to six months. However, the Commission may adopt implementing acts, authorising such agreements and decision and concerted practices for a further period of up to six-months. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

CHAPTER II

COMMUNICATIONS AND REPORTING

Article 157

Communication requirements

1. For the purposes of applying this Regulation, monitoring, analysing and managing the market in agricultural products, ensuring market transparency, the proper functioning of CAP measures, of checking, controlling, monitoring, evaluating and auditing CAP measures, ~~**implementing**~~ ***complying with the requirements laid down in*** international agreements ***concluded in accordance with the Treaty***, including notification requirements under those agreements, the Commission may***,*** in accordance with the procedure referred to in paragraph 2***,*** adopt the necessary measures regarding communications to be made by undertakings, Member States and~~**/or**~~ third countries. In so doing it shall take into account the data needs and synergies between potential data sources.

   The information obtained may be transmitted or made available to international organisations, the competent authorities of third countries and may be made public, subject to the protection of personal data and the legitimate interest of undertakings in the protection of their business secrets, including prices.

2. ~~**Taking into account the need**~~ ***In order*** to ~~**make notifications referred to in paragraph 1 fast, efficient, accurate, and cost effective**~~ ***ensure the integrity of information systems and to ensure the authenticity and legibility of documents and associated data transmitted***, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 laying down:

   (a) the nature and type of the information to be notified;

   ~~**(b) the methods of notification;**~~

   (bb) the categories of data to be processed and maximum retention periods and the purpose of processing, in particular in the event of the publication of such data and their transfer to third countries;

   (c) ~~**the rules related to**~~ the access rights to the information or information systems made available;

   (d) the conditions ~~**and means**~~ of publication of the information.

3. The Commission shall, by means of implementing acts, adopt ***provisions necessary for the application of this Article, including***:

(aa) the methods of notification;

(a) rules on ~~**providing the information necessary for the application of this Article**~~ ***the information to be notified***;

(b) arrangements for the management of the information to be notified, as well as ~~**rules**~~ on ***the*** content, form, timing, frequency and deadlines of the notifications;

(c) ***the*** arrangements for transmitting or making information and documents available to the Member States, international organisations, the competent authorities in third countries, or the public, subject to the protection of personal data and the legitimate interest of undertakings in the protection of their business secrets.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).

Article 157a

Processing and protection of personal data

1. Member States and the Commission shall collect personal data for the purposes set out in Article 157(1) and shall not process this data in a way incompatible with these purposes.

2. Where personal data are processed for monitoring and evaluation purposes as referred to in Article 157(1), they shall be made anonymous and processed in aggregated form only.

3. Personal data shall be processed in accordance with the rules of Directive 95/46/EC and Regulation (EC) No 45/2001. In particular, such data shall not be stored in a form which permits identification of data subjects for longer than is necessary for the purposes for which they were collected or for which they are further processed, taking into account the minimum retention periods laid down in the applicable national and Union law.

4. Member States shall inform the data subjects that their personal data may be processed by national and Union bodies in accordance with paragraph 1 and that in this respect they enjoy the rights set out in the data protection rules of, respectively, Directive 95/46/EC and Regulation (EC) No 45/2001.

Article 158

Reporting obligation of the Commission

The Commission shall present a report to the European Parliament and to the Council:

(a) every three years ***and for the first time by three years*** after ***the entry into force of this Regulation*** ~~**2013**~~ on the implementation of the measures concerning the apiculture sector as set out in Articles 52 to 54***,including on latest developments on beehive identification systems***;

(b) by 30 June 2014 and also by 31 December 2018 ~~**on**~~ ***regarding*** the development of the market situation in the milk and milk products sector and in particular on the operation of ***Article 106(2), Article 108(2) and of Articles 104, 105, 105a, and 105b, assessing*** ~~**Articles 104 to 107 and 145 in that sector covering,**~~ in particular, ***the effects on milk producers and milk production in disadvantaged regions in connection with the general objective of maintaining production in such regions, and covering*** potential incentives to encourage farmers to enter into joint production agreements together with any appropriate proposals.

(c) by 31 December 2014 on the possibility of extending the scope of the school schemes to include olive oil and table olives;

(d) by 31 December 2017 on the application of competition rules to the agricultural sector in all Member States, in particular on the operation of Articles 144 and 145, and of Articles 113b, 113c and 113d in the sectors concerned.

CHAPTER III

RESERVE FOR CRISES IN THE AGRICULTURAL SECTOR\

Article 159

Use of the Reserve

Funds transferred from the Reserve for crises in the agricultural sector under the conditions and procedure referred to in ***Article 24a*** ~~**paragraph 14**~~ of ***Regulation (EU) No xxx/xxxx [HZR] and paragraph [19c] of*** the Interinstitutional Agreement between the European Parliament, the Council and the Commission on ***budgetary discipline,*** cooperation in budgetary matters and on sound financial management[1] shall be made available for the measures to which this Regulation applies for the year or years for which the additional support is required and which are implemented in circumstances that go beyond normal market developments.

In particular, funds shall be transferred for any expenditure under:

(a) Chapter I of Title I of Part II,

(b) Chapter VI of Part III, and

(c) Chapter I of this Part.

~~**The Commission may, by means of implementing acts, and by way of derogation from the second paragraph of this Article, decide that transfers of funds shall not be made for certain expenditure referred to in point (b) of that paragraph if such expenditure is part of normal market management. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 162(2).**~~

[1] OJ L […], […], p. […].

PART VI

DELEGATIONS OF POWER, IMPLEMENTING PROVISIONS, TRANSITIONAL AND FINAL ~~**RULES**~~ ***PROVISIONS***

CHAPTER I

DELEGATIONS OF POWER AND IMPLEMENTING PROVISIONS

Article 160

Exercise of the delegation

1. The power~~**s**~~ to adopt the delegated acts ~~**shall be**~~ ***is*** conferred on the Commission subject to the conditions laid down in this Article.

2. The ~~delegations of~~ power ***to adopt delegated acts*** referred to in this Regulation shall be conferred on the Commission for ~~an indeterminate~~ ***a*** period of ***seven*** ~~**time**~~ ***years*** from the entry into force of this Regulation. ***The Commission shall draw up a report in respect of the delegated power no later than nine months before the end of the seven year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.***

3. The delegation of power~~**s**~~ referred to in this Regulation may be revoked at any time by the European Parliament or by the Council. A decision ~~**of revocation**~~ ***to revoke*** shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

5. A delegated act adopted pursuant to this Regulation shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of ***2~~2~~two*** months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by ***2~~2~~two*** months at the initiative of the European Parliament or ***of*** the Council.

Article 161

Urgency procedure

1. Delegated acts adopted under this Article shall enter into force without delay and shall apply as long as no objection is expressed in accordance with paragraph 2. The notification of a delegated act adopted under this Article to the European Parliament and to the Council shall state the reasons for the use of the urgency procedure.

2. Either the European Parliament or the Council may object to a delegated act adopted under this Article in accordance with the procedure referred to in Article 160(5). In such a case, the Commission shall repeal the act without delay following the notification of the decision to object by the European Parliament or the Council.

Article 162

Committee procedure

1. The Commission shall be assisted by a ***committee called the*** Committee for the Common Organisation of the Agricultural Markets. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

In the case of acts referred to in Article 62(3), in points (e) and (ei) of Article 68, Article 74(4), Article 76, Article 83 and Article 84(3), where the committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of Regulation (EU) No 182/2011 shall apply.

3. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011, in conjunction with Article 5 thereof, shall apply.

CHAPTER II

TRANSITIONAL AND FINAL PROVISIONS

Article 163

Repeals

1. Regulation ***(EC) No 1234/2007*** ~~**(EU) No [COM(2010)799]**~~ is repealed.

However, the following provisions of Regulation ***(EC) No 1234/2007***~~**(EU) No [Commission (2010)799]**~~ shall continue to apply:

~~**(a) as regards the sugar sector, Title I of Part II, Articles 248260 to 262 and Part II of Annex III until the end of the 2014/2015 marketing year for sugar on 30 September 2015;**~~

(b) ~~**the provisions related to**~~ ***as regards*** the system of milk production limitation~~**, set out in**~~ Chapter III of Title I of Part II ***and Annexes IX and X***, until 31 March 2015;

(c) as regards the wine sector:

(i) Articles ~~**82***85a* to ~~**87***85e* as regards areas referred to in Article ~~**82***85a*(2) which have not yet been grubbed up and as regards areas referred to in Article ~~**83***85b*(1) which have not been regularised***,*** until such areas are grubbed up or regularised,

(ii) the transitional planting right regime set out in Subsection II of Section IVa of Chapter III of Title I of Part II ~~**[Subsection II of Section V of Chapter III of Title I of Part II of Regulation (EU) No Commission(2010)799]**~~ until 31 December 2015~~**, or, to the extent necessary in order to give effect to any decision taken by Member States under Article 85g(5) [Article 89(5) of Regulation (EU) No Commission(2010)799], until 31 December 2018**~~;

(iii) Article 118m(5) until clearance of the stocks of wines with the denomination "Mlado vino portugizac" existing at the date of Croatia's accession to the Union;

(iv) Article 118s(5) until four years after the date of Croatia's accession to the Union;

(ca) Articles 113a(4), 114, 115, 116, 117(1) to (4) and Article 121(e)(iv), as well as Annex XIV Part (B)(I) (2) and (3) and (III)(1) and Part (C), and Annex XV (II)(1), (3), (5) and (6), (IV)(2) for the purpose of applying those Articles, until the date of application of the corresponding marketing rules to be established pursuant to the delegated acts provided for in Article 59(1), Article 59a(5), Article 60(3), Article 61, Article 65(4), Article 65c, Article 65d, Article 65e, Article 66 and Article 67a of this Regulation;

(cb) Articles 133a(1) and 140a until 30 September 2014;

~~**(d) Article 291(2) until 31 March 2014;**~~

(e) the first and second ***sub***paragraph***s*** of Article ~~**293**~~***182(3)*** until the end of the 2013/2014 marketing year for sugar ***on 30 September 2014***;

(f) Article ~~**294**~~***182(4)*** until 31 December 2017;

(fa) Article 182(7) until 31 March 2014.

(fb) Point (3)(b) of part III of Annex XV until 31 December 2015.

~~**(g) Article 326**~~

(ga) Annex XX until date of entry into force of Proposal replacing Council Regulation (EC) No 1216/2009 of 30 November 2009 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products and Council Regulation (EC) No 614/2009 of 7 July 2009 on the common system of trade for ovalbumin and lactalbumin.

2. References to Regulation ***(EC) No 1234/2007***~~**(EU) No [Commission(2010)799]**~~ shall be construed as references to this Regulation and to Regulation (EU) No […]***[Horizontal CAP Regulation]***~~**on the financing, management and monitoring of the common agricultural policy**~~ and be read in accordance with the correlation tables set out in Annex VIII to this Regulation.

3. Council Regulations (EEC) No ***922/72, (EEC)*** 234/79, (EC) No 1601/96 and (EC) No 1037/2001 are repealed.

Article 164

Transitional rules

~~**Taking into account the need**~~ ***In order*** to ensure the smooth transition from the arrangements provided for in Regulation ***(EC) No 1234/2007***~~**(EU) No [Commission(2010)799]**~~ to those laid down in this Regulation, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 concerning measures necessary to protect the acquired rights and legitimate expectations of undertakings.

All multiannual programmes adopted before 1 January 2014 shall continue to be governed by the concerned provisions of Regulation (EC) No 1234/2007 following the entry into force of this Regulation until those programmes come to an end.

Article 165

Entry into force and application

1. This Regulation shall enter into force on the seventh day following that of its publication in the Official Journal of the European Union.

   It shall apply from 1 January 2014.

   However**,**

   (a) Article 122 shall apply from 1 October 2014;

   (b) point II(3) of Part VI of Annex VI shall apply from 1 January 2016; ~~**, Articles 7 16, and 101 and Annex III, as regards the sugar sector, shall only apply after the end of the 2014/2015 marketing year for sugar on 1 October 2015.**~~

2. ~~As regards the milk and milk products sector,~~ Articles 104, ~~and~~ 105***, 105a, 105b, 106(2), 107(2), 108(2), 109c, 109e, 114(2) and 115(2)*** shall apply until 30 June 2020.

3*. *Articles 101a to 101p and Articles 130a and 130b shall apply until the end of the marketing year for sugar on 30 September 2017.

   This Regulation shall be binding in its entirety and directly applicable in all Member States.

   Done at Brussels,

For the European Parliament	*For the Council*
The President	*The President*

ANNEX I

LIST OF PRODUCTS REFERRED TO IN ARTICLE 1(2)

Part I: Cereals

The cereals sector shall cover the products listed in the following table:

	CN code	Description
(a)	0709 ***99*** ~~**90**~~ 60	Sweetcorn, fresh or chilled
	0712 90 19	Dried sweetcorn, whole, cut, sliced, broken or in powder, but not further prepared, other than hybrid for sowing
	1001 ~~**90**~~ 91 ***20***	Common wheat and meslin seed
	ex 1001 ~~**90**~~ 99 ***00***	Spelt, common wheat and meslin other than for sowing
	1002 ~~**00 00**~~	Rye
	1003 ~~**00**~~	Barley
	1004 ~~**00 00**~~	Oats
	1005 10 90	Maize (corn) seed other than hybrid
	1005 90 00	Maize other than seed
	1007 ~~**0**~~***1***0 90**,** ***1007 90 00***	Grain sorghum, other than hybrids for sowing
	1008	Buckwheat, millet and canary seed; other cereals
(b)	1001 ***11***~~**0**~~ 00**,** ***1001 19 00***	Durum wheat
(c)	1101 00	Wheat or meslin flour
	1102 ***90 70*** ~~**10 00**~~	Rye flour
	1103 11	Groats and meal of wheat
	1107	Malt, whether or not roasted
(d)	0714	Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets; sago pith
	ex 1102	Cereal flours other than of wheat or meslin:
	1102 20	– Maize (corn) flour
	1102 90	– Other:
	1102 90 10	– – Barley flour
	1102 90 30	– – Oat flour
	1102 90 90	– – Other
	ex 1103	Cereal groats, meal and pellets with the exception of groats and meal of wheat (subheading 1103 11), groats and meal of rice (subheading 1103 19 50) and pellets of rice (subheading 1103 20 50)
	ex 1104	Cereal grains otherwise worked (for example, hulled, rolled, flaked, pearled, sliced or kibbled), except rice of heading 1006 and flaked rice of subheading 1104 19 91; germ of cereals, whole, rolled, flaked or ground
	1106 20	Flour, meal and powder of sago or of roots or tubers of heading 0714
	ex 1108	Starches; inulin:
		– Starches:
	1108 11 00	– – Wheat starch
	1108 12 00	– – Maize (corn) starch
	1108 13 00	– – Potato starch
	1108 14 00	– – Manioc (cassava) starch
	ex 1108 19	– – Other starches:
	1108 19 90	– – – Other
	1109 00 00	Wheat gluten, whether or not dried

CN code	Description
1702	Other sugars, including chemically pure lactose, maltose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter; artificial honey, whether or not mixed with natural honey; caramel:
ex 1702 30	– Glucose and glucose syrup, not containing fructose or containing in the dry state less than 20 % by weight of fructose:
	– – Other:
ex 1702 30 50	– – – In the form of white crystalline powder, whether or not agglomerated, containing in the dry state less than 99 % by weight of glucose
ex 1702 30 90	– – – Other, containing in the dry state less than 99 % by weight of glucose
ex 1702 40	– Glucose and glucose syrup, containing in the dry state at least 20 % but less than 50 % by weight of fructose, excluding invert sugar:
1702 40 90	– – Other
ex 1702 90	– Other, including invert sugar and other sugar and sugar syrup blends containing in the dry state 50 % by weight of fructose:
1702 90 50	– – Maltodextrine and maltodextrine syrup
	– – Caramel:
	– – – Other:
1702 90 75	– – – – In the form of powder, whether or not agglomerated
1702 90 79	– – – – Other
2106	Food preparations not elsewhere specified or included:
ex 2106 90	– Other
	– – Flavoured or coloured sugar syrups:
	– – – Other
2106 90 55	– – – – Glucose syrup and maltodextrine syrup
ex 2302	Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of cereals
ex 2303	Residues of starch manufacture and similar residues, beet-pulp, bagasse and other waste of sugar manufacture, brewing or distilling dregs and waste, whether or not in the form of pellets:
2303 10	– Residues of starch manufacture and similar residues
2303 30 00	– Brewing or distilling dregs and waste
ex 2306	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetables fats or oils, other than those of headings 2304 and 2305:
	– Other
2306 90 05	– – Of maize (corn) germ
ex 2308 00	Vegetable materials and vegetable waste, vegetable residues and by-products, whether or not in the form of pellets, of a kind used in animal feeding, not elsewhere specified or included:
2308 00 40	– Acorns and horse-chestnuts; pomace or marc of fruit, other than grapes
2309	Preparations of a kind used in animal feeding:
ex 2309 10	– Dog or cat food, put up for retail sale:
2309 10 11	– – Containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings
2309 10 13	1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products
230910 31	
2309 10 33	
2309 10 51	
2309 10 53	

CN code	Description
ex 2309 90	– Other:
2309 90 20	– – Products referred to in additional note 5 to chapter 23 of the Combined Nomenclature
	– – Other, including premixes:
2309 90 31	– – – Containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings
2309 90 33	1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products:
2309 90 41	
2309 90 43	
2309 90 51	
2309 90 53	

([1]) For the purposes of this subheading 'milk products' means products falling within headings 0401 to 0406 as well as subheadings 1702 11 00, 1702 19 00 and 2106 90 51.

Part II: Rice

The rice sector shall cover the products listed in the following table:

	CN code	Description
(a)	1006 10 21 to 1006 10 98	Rice in the husk (paddy or rough), other than for sowing
	1006 20	Husked (brown) rice
	1006 30	Semi-milled or wholly milled rice, whether or not polished or glazed
(b)	1006 40 00	Broken rice
(c)	1102 90 50	Rice flour
	1103 19 50	Rice groats and meal
	1103 20 50	Pellets of rice
	1104 19 91	Flaked grains of rice
	ex 1104 19 99	Rolled grains of rice
	1108 19 10	Rice starch

Part III: Sugar

The sugar sector shall cover the products listed in the following table:

	CN code	Description
(a)	1212 91	Sugar beet
	1212 ***93 00*** ~~**99 20**~~	Sugar cane
(b)	1701	Cane or beet sugar and chemically pure sucrose, in solid form
(c)	1702 20	Maple sugar and maple syrup
	1702 60 95 and 1702 90 95	Other sugars in solid form and sugar syrups, not containing added flavouring or colouring matter, but not including lactose, glucose, maltodextrine and isoglucose
	1702 90 71	Caramel containing 50 % or more by weight of sucrose in the dry matter
	2106 90 59	Flavoured or coloured sugar syrups, other than isoglucose, lactose, glucose and maltodextrine syrups
(d)	1702 30 10	Isoglucose
	1702 40 10	
	1702 60 10	
	1702 90 30	
(e)	1702 60 80	Inulin syrup
	1702 90 80	
(f)	1703	Molasses resulting from the extraction or refining of sugar
(g)	2106 90 30	Flavoured or coloured isoglucose syrups
(h)	2303 20	Beet pulp, bagasse and other waste of sugar manufacture

Part IV: Dried fodder

The dried fodder sector shall cover the products listed in the following table:

	CN code	Description
(a)	ex 1214 10 00	– Meal and pellets of lucerne artificially heat-dried – Meal and pellets of lucerne otherwise dried and ground
	ex 1214 90 90	– Lucerne, sainfoin, clover, lupins, vetches and similar fodder products, artificially heat-dried, except hay and fodder kale and products containing hay – Lucerne, sainfoin, clover, lupins, vetches, honey lotus, chickling pea and birdsfoot, otherwise dried and ground
(b)	ex 2309 90 ***96*** ~~**99**~~	– Protein concentrates obtained from lucerne juice and grass juice – Dehydrated products obtained exclusively from solid residues and juice resulting from preparation of the abovementioned concentrates

Part V: Seeds

The seeds sector shall cover the products listed in the following table

CN code	Description
0712 90 11	Sweetcorn hybrids: – for sowing
0713 10 10	Peas (*Pisum sativum*): – for sowing
ex 0713 20 00	Chickpeas (garbanzos): – for sowing
ex 0713 31 00	Beans of the species *Vigna mungo* (L.) Hepper or *Vigna radiata* (L.) Wilczek: – for sowing
ex 0713 32 00	Small red (Adzuki) beans (*Phaseolus* or *Vigna angularis*): – for sowing
0713 33 10	Kidney beans, including white pea beans (*Phaseolus vulgaris*): – for sowing
ex 0713 34 00	***Bambara beans (Vigna subterranea or Voandzeia subterranea):*** ***– for sowing***
ex 0713 35 00	***Cow peas (Vigna unguiculta):*** ***– for sowing***
ex 0713 39 00	Other~~beans~~: – for sowing
ex 0713 40 00	Lentils: – for sowing
ex 0713 50 00	Broad beans (*Vicia faba* var. *major*) and horse beans (*Vicia faba* var. *equina*, *Vicia faba* var. *minor*): – for sowing
ex 0713 60 00	***Pigeon peas (Cajanus cajan):*** ***– for sowing***
ex 0713 90 00	Other dried leguminous vegetables: – for sowing
1001 ***91~~90~~*** 10	Spelt: – ***seed~~for sowing~~***
ex 1005 10	Hybrid maize (corn) seed
1006 10 10	Rice in the husk (paddy or rough): – for sowing
1007 ***~~0~~10*** 10	Grain sorghum hybrids: – ***seed ~~for sowing~~***
1201 ***10*** 00 ***~~10~~***	Soya beans, whether or not broken: – ***seed ~~for sowing~~***
1202 ***30 00 ~~10 10~~***	Groundnuts, not roasted or otherwise cooked, ***whether or not shelled or broken ~~in shell~~***: – ***seed ~~for sowing~~***
1204 00 10	Linseed, whether or not broken: – for sowing
1205 10 10 and	Rape or colza seeds, whether or not broken:
ex 1205 90 00	– for sowing
1206 00 10	Sunflower seeds, whether or not broken: – for sowing
ex 1207	Other oil seeds and oleaginous fruits, whether or not broken: – for sowing
1209	Seeds, fruit and spores, of a kind used: – for sowing

Part VI: Hops

The hops sector shall cover the products listed in the following table

CN code	Description
1210	Hop cones, fresh or dried, whether or not ground, powdered or in the form of pellets; lupulin
1302 13 00	Vegetable saps and extracts of hops

Part VII: Olive oil and table olives

The olive oil and table olives sector shall cover the products listed in the following table:

	CN code	Description
(a)	1509	Olive oil and its fractions, whether or not refined, but not chemically modified
	1510 00	Other oils and their fractions, obtained solely from olives, whether or not refined, but not chemically modified, including blends of these oils or fractions with oils or fractions of heading 1509
(b)	0709 ***92 10*** ~~**90 31**~~	Olives, fresh or chilled, for uses other than the production of oil
	0709 ***9290*** ~~**90 39**~~	Other olives, fresh or chilled
	0710 80 10	Olives (uncooked or cooked by steaming or boiling water), frozen
	0711 20	Olives provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption
	ex 0712 90 90	Olives dried, whole, cut, sliced, broken or in powder, but not further prepared
	2001 90 65	Olives prepared or preserved by vinegar or acetic acid
	ex 2004 90 30	Olives prepared or preserved otherwise than by vinegar or acetic acid, frozen
	2005 70 00	Olives prepared or preserved otherwise than by vinegar or acetic acid, not frozen
(c)	1522 00 31	Residues resulting from the treatment of fatty substances or animal or vegetable waxes containing oil having the characteristics of olive oil
	1522 00 39	
	2306 90 11	Oil-cake and other ***solid*** residues resulting from the extractions of olive oil
	2306 90 19	

Part VIII: Flax and hemp

The flax and hemp sector shall cover the products listed in the following table:

CN code	Description
5301	Flax, raw or processed but not spun; flax tow and waste (including yarn waste and garnetted stock)
5302	True hemp (*Cannabis sativa* L.) raw or processed but not spun; tow and waste of true hemp (including yarn waste and garnetted stock)

Part IX: Fruit and vegetables

The fruit and vegetables sector shall cover the products listed in the following table:

CN code	Description
0702 00 00	Tomatoes, fresh or chilled
0703	Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled
0704	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled
0705	Lettuce (*Lactuca sativa*) and chicory (*Cichorium* spp.), fresh or chilled
0706	Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled
0707 00	Cucumbers and gherkins, fresh or chilled
0708	Leguminous vegetables, shelled or unshelled, fresh or chilled
ex 0709	Other vegetables, fresh or chilled, excluding vegetables of subheadings 0709 60 91, 0709 60 95, 0709 60 99, 0709 ***92 10*** ~~**90 31**~~, 0709 ***92*** 90 ~~**39**~~ and 0709 ***990*** 60
ex 0802	Other nuts, fresh or dried, whether or not shelled or peeled, excluding areca (or betel) and ***kola*** ~~**cola**~~ nuts falling within subheading 0802 ~~**90 20**~~ ***70 00, 0802 80 00***
0803 ***10 10*** ~~**00 11**~~	Fresh plantains
~~**ex**~~ 0803 ***10*** ~~**00**~~ 90	Dried plantains
0804 20 10	Figs, fresh
0804 30 00	Pineapples
0804 40 00	Avocados
0804 50 00	Guavas, mangos and mangosteens
0805	Citrus fruit, fresh or dried
0806 10 10	Fresh table grapes
0807	Melons (including watermelons) and papaws (papayas), fresh
0808	Apples, pears and quinces, fresh
0809	Apricots, cherries, peaches (including nectarines), plums and sloes, fresh
0810	Other fruit, fresh
0813 50 31	Mixtures exclusively of nuts of headings 0801 and 0802
0813 50 39	
0910 20	Saffron
ex 0910 99	Thyme, fresh or chilled
ex 1211 90 ~~**85**~~***86***	Basil, melissa, mint, ***Oo****riganum vulgare* (oregano/wild marjoram), rosemary, sage, fresh or chilled
1212 ***92 00*** ~~**99 30**~~	Locust beans ***(carob)***

Part X: Processed fruit and vegetable products

The processed fruit and vegetable sector shall cover the products listed in the following table:

	CN Code	Description
(a)	ex 0710	Vegetables (uncooked or cooked by steaming or boiling in water) frozen, excluding sweetcorn of subheading 0710 40 00, olives of subheading 0710 80 10 and fruits of the genus *Capsicum* or of the genus *Pimenta* of subheading 0710 80 59
	ex 0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption, excluding olives of subheading 0711 20, fruits of the genus *Capsicum* or of the genus *Pimenta* of subheading 0711 90 10 and sweetcorn of subheading 0711 90 30
	ex 0712	Dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared, excluding potatoes dehydrated by artificial heat-drying and unfit for human consumption falling within subheading ex 0712 90 05, sweetcorn falling within the subheadings 0712 90 11 and 0712 90 19 and olives falling within subheading ex 0712 90 90
	0804 20 90	Dried figs
	0806 20	Dried grapes
	ex 0811	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, not containing added sugar or other sweetening matter, excluding frozen bananas falling within subheading ex 0811 90 95

	CN Code	Description
	ex 0812	Fruit and nuts, provisionally preserved (for example by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption, excluding bananas provisionally preserved falling within subheading ex 0812 90 98
	ex 0813	Fruit, dried, other than that of headings 0801 to 0806; mixtures of nuts or dried fruits of this chapter excluding mixtures exclusively of nuts of headings 0801 and 0802 falling within subheadings 0813 50 31 and 0813 50 39
	0814 00 00	Peel of citrus fruit or melons (including watermelons), fresh, frozen, dried or provisionally preserved in brine, in sulphur water or in other preservative solutions
	0904 ***21*** ~~**20**~~10	Dried sweet peppers **(*Capsicum annuum*)**, neither crushed nor ground
(b)	ex 0811	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, containing added sugar or other sweetening matter
	ex 1302 20	Pectic substances and pectinates
	ex 2001	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid, excluding: - fruit of the genus *Capsicum* other than sweet peppers or pimentos of subheading 2001 90 20 - sweetcorn (*Zea mays* var. *saccharata*) of subheading 2001 90 30 - yams, sweet potatoes and similar edible parts of plants containing 5 % or more by weight of starch of subheading 2001 90 40 - palm hearts of subheading ***ex*** 2001 90 ***92*** **60** - olives of subheading 2001 90 65 - vine leaves, hop shoots and other similar edible parts of plants falling within subheading ex 2001 90 97
	2002	Tomatoes prepared or preserved otherwise than by vinegar or acetic acid
	2003	Mushrooms and truffles, prepared or preserved otherwise than by vinegar or acetic acid
	ex 2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than the products of heading 2006, excluding sweetcorn (*Zea mays* var. *saccharata*) of subheading 2004 90 10, olives of subheading ex 2004 90 30 and potatoes prepared or preserved in the form of flour, meal or flakes of subheading 2004 10 91
	ex 2005	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006 excluding olives of subheading 2005 70 00, sweetcorn (*Zea mays* var. *saccharata*) of subheading 2005 80 00 and fruit of the genus *Capsicum*, other than sweet peppers or pimentos of subheading 2005 99 10 and potatoes prepared or preserved in the form of flour, meal or flakes of subheading 2005 20 10
	ex 2006 00	***Vegetables f*****~~F~~**ruit, nuts, fruit-peel and other parts of plants, preserved by sugar (drained, glacé or crystallised), excluding bananas preserved by sugar falling within headings ex 2006 00 38 and ex 2006 00 99
	ex 2007	Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, ~~**being cooked preparations**~~ ***obtained by cooking***, whether or not containing added sugar or other sweetening matter, excluding: - homogenised preparations of bananas of subheading ex 2007 10 - jams, jellies, marmalades, purée or pastes of bananas of subheadings ex 2007 99 39, ex 2007 99 50 and ex 2007 99 97
	ex 2008	Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included, excluding: - peanut butter of subheading 2008 11 10 - palm hearts of subheading 2008 91 00 - maize of subheading 2008 99 85 - yams, sweet potatoes and similar edible parts of plants, containing 5 % or more by weight of starch of subheading 2008 99 91 - vine leaves, hop shoots and other similar edible parts of plants falling within subheading ex 2008 99 99 - mixtures of banana otherwise prepared or preserved of subheadings ex 2008 ***97*** ~~**92**~~ 59, ex 2008 ***97*** ~~**92**~~ 78, ex 2008 ***97*** **92** 93 and ex 2008 ***97*** ~~**92**~~ 98 - bananas otherwise prepared or preserved of subheadings ex 2008 99 49, ex 2008 99 67 and ex 2008 99 99
	ex 2009	Fruit juices (excluding grape juice and grape must of subheadings 2009 61 and 2009 69 and banana juice of subheading ex 2009 ***89 35*** **80,** ***2009 89 38, 2009 89 79, 2009 89 86, 2009 89 89 and 2009 89 99***) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter

Part XI: Bananas

The bananas sctor shall cover the products listed in the following table:

CN codes	Description
0803 ***90 10*** ~~**00 19**~~	Fresh bananas, excluding plantains
~~**ex**~~ 0803 ***90*** ~~**00**~~ 90	Dried bananas, excluding plantains
ex 0812 90 98	Bananas provisionally preserved
ex 0813 50 99	Mixtures containing dried bananas
1106 30 10	Flour, meal and powder of bananas
ex 2006 00 99	Bananas preserved by sugar
ex 2007 10 99	Homogenised preparations of bananas
ex 2007 99 39	Jams, jellies, marmalades, purées and pastes of bananas
ex 2007 99 50	
ex 2007 99 97	
ex 2008 ***97*** ~~**92**~~ 59	Mixtures containing bananas otherwise prepared or preserved, not containing added spirit
ex 2008 ***97*** ~~**92**~~ 78	
ex 2008 ***97*** ~~**92**~~ 93	
ex 2008 97 96	
ex 2008 ***97*** ~~**92**~~ 98	
ex 2008 99 49	Bananas otherwise prepared or preserved
ex 2008 99 67	
ex 2008 99 99	
ex 2009 ***89*** ~~**80**~~ 35	Banana juice
ex 2009 ***89*** ~~**80**~~ 38	
ex 2009 ***89*** ~~**80**~~ 79	
ex 2009 ***89*** ~~**80**~~ 86	
ex 2009 ***89*** ~~**80**~~ 89	
ex 2009 ***89*** ~~**80**~~ 99	

Part XII: Wine

The wine sector shall cover the products listed in the following table:

	CN code	Description
(a)	2009 61	Grape juice (including grape must)
	2009 69	
	2204 30 92	Other grape musts, other than those in fermentation or with fermentation arrested otherwise than by the addition of alcohol
	2204 30 94	
	2204 30 96	
	2204 30 98	
(b)	ex 2204	Wine of fresh grapes, including fortified wines; grape must other than that of heading 2009, excluding other grape must of subheadings 2204 30 92, 2204 30 94, 2204 30 96 and 2204 30 98
(c)	0806 10 90	Fresh grapes other than table grapes
	2209 00 11	Wine vinegar
	2209 00 19	
(d)	2206 00 10	Piquette
	2307 00 11	Wine lees
	2307 00 19	
	2308 00 11	Grape marc
	2308 00 19	

Part XIII: Live trees and other plants, bulbs, roots and the like, cut flowers and ornamental foliage

The live plants sector shall cover all the products falling within Chapter 6 of the Combined Nomenclature.

Part XIV: Tobacco

The tobacco sector shall cover raw or non-manufactured tobacco and tobacco refuse falling within CN code 2401.

Part XV: Beef and veal

The beef and veal sector shall cover the products listed in the following table:

	CN code	Description
(a)	0102 ***29*** ~~**90**~~ 05 to 0102 ***29 99*** ~~**90 79**~~***, 0102 39 10 and 0102 90 91***	Live animals of the domestic bovine species, other than pure-bred breeding animals
	0201	Meat of bovine animals, fresh or chilled
	0202	Meat of bovine animals, frozen
	0206 10 95	Thick skirt and thin skirt, fresh or chilled
	0206 29 91	Thick skirt and thin skirt, frozen
	0210 20	Meat of bovine animals, salted, in brine, dried or smoked
	0210 99 51	Thick skirt and thin skirt, salted, in brine, dried or smoked
	0210 99 90	Edible flours and meals of meat or meat offal
	1602 50 10	Other prepared or preserved meat or meat offal of bovine animals, uncooked; mixtures of cooked meat or offal and uncooked meat or offal
	1602 90 61	Other prepared or preserved meat containing bovine meat or offal, uncooked; mixtures of cooked meat or offal and uncooked meat or offal
(b)	0102 ***21*** ~~**10**~~***, 0102 31 00 and 0102 90 20***	Live bovine pure-bred breeding animals
	0206 10 98	Edible offal of bovine animals excluding thick skirt and thin skirt, fresh or chilled, other than for the manufacture of pharmaceutical products
	0206 21 00 0206 22 00 0206 29 99	Edible offal of bovine animals excluding thick skirt and thin skirt, frozen, other than for the manufacture of pharmaceutical products
	0210 9959	Edible meat offal of bovine animals, salted, in brine, dried or smoked, other than thick skirt and thin skirt
	ex 1502 ***10*** ~~**00**~~ 90	Fats of bovine animals other than those of heading 1503
	1602 50 31 and 1602 50 95	Other prepared or preserved meat or meat offal, of bovine animals, other than uncooked meat or meat offal and mixtures of cooked meat or offal and uncooked meat or offal
	1602 90 69	Other prepared or preserved meat containing bovine meat or offal other than uncooked, and mixtures of cooked meat or offal and uncooked meat or offal.

Part XVI: Milk and milk products

The milk and milk products sector shall cover the products listed in the following table:

	CN code	Description
(a)	0401	Milk and cream, not concentrated nor containing added sugar or other sweetening matter
(b)	0402	Milk and cream, concentrated or containing added sugar or other sweetening matter
(c)	0403 10 11 to 0403 10 39 0403 9011 to 0403 90 69	Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter not flavoured nor containing added fruit, nuts or cocoa
(d)	0404	Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included
(e)	ex 0405	Butter and other fats and oils derived from milk; dairy spreads of a fat content of more than 75 % but less than 80 %
(f)	0406	Cheese and curd
(g)	1702 19 00	Lactose and lactose syrup not containing added flavouring or colouring matter, containing by weight less than 99 % lactose, expressed as anhydrous lactose, calculated on the dry matter
(h)	2106 90 51	Flavoured or coloured lactose syrup
(i)	ex 2309	Preparations of a kind used in animal feeding:
		~~– Preparations and feedingstuffs containing products to which this Regulation applies, directly or by virtue of Regulation (EC) No 1667/2006, except preparations and feedingstuffs falling under Part I of this Annex.~~
	ex 2309 10	– ***Dog or cat food, put up for retail sale:***
	2309 10 15 ***2309 10 19*** ***2309 10 39*** ***2309 10 59*** ***2309 10 70***	– – ***Containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings 1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products***
	ex 2309 90	– ***Other:***
	2309 90 35	– – ***Other, including premixes:***
	2309 90 39 ***2309 90 49*** ***2309 90 59*** ***2309 90 70***	– – – ***Containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings 1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products***

Part XVII: Pigmeat

The pigmeat sector shall cover the products listed in the following table:

	CN code	Description
(a)	ex 0103	Live swine, of domestic species, other than pure-bred breeding animals
(b)	ex 0203	Meat of domestic swine, fresh, chilled, or frozen
	ex 0206	Edible offal of domestic swine, other than for the manufacture of pharmaceutical products, fresh, chilled or frozen
	~~ex~~ 0209 ***10*** ~~00~~	Pig fat, free of lean meat, not rendered or otherwise extracted, fresh, chilled, frozen, salted, in brine, dried or smoked
	ex 0210	Meat and edible meat offal of domestic swine, salted, in brine, dried or smoked
	1501 ***10*** ~~00 11~~	Pig fat (including lard)
	1501 ***20*** ~~00 19~~	
(c)	1601 00	Sausages and similar products, of meat, meat offal or blood; food preparations based on these products
	1602 10 00	Homogenised preparations of meat, meat offal or blood
	1602 20 90	Preparations or preserves of liver of any animal, other than goose or duck
	1602 41 10	Other preparations and preserves containing meat or offal of domestic swine
	1602 42 10	
	1602 49 11 to	
	1602 49 50	
	1602 90 10	Preparations of blood of any animal
	1602 90 51	Other preparations or preserves containing meat or meat offal of domestic swine
	1902 20 30	Stuffed pasta, whether or not cooked or otherwise prepared, containing more than 20 % by weight of sausages and the like, of meat and meat offal of any kind, including fats of any kind or origin

Part XVIII: Sheepmeat and goatmeat

The sheepmeat and goatmeat sector shall cover the products listed in the following table:

	CN code	Description
(a)	0104 10 30	Lambs (up to one year old)
	0104 10 80	Live sheep other than pure-bred breeding animals and lambs
	0104 20 90	Live goats other than pure-bred breeding animals
	0204	Meat of sheep or goats, fresh, chilled or frozen
	0210 99 21	Meat of sheep and goats, with bone in, salted, in brine, dried or smoked
	0210 99 29	Meat of sheep and goats, boneless, salted, in brine, dried or smoked
(b)	0104 10 10	Live sheep — pure-bred breeding animals
	0104 20 10	Live goats — pure-bred breeding animals
	0206 80 99	Edible offal of sheep and goats, fresh or chilled, other than for the manufacture of pharmaceutical products
	0206 90 99	Edible offal of sheep and goats, frozen, other than for the manufacture of pharmaceutical products
	0210 99 ***85*** ~~**60**~~	Edible offal of sheep and goats, salted, in brine, dried or smoked
	ex 1502 ***90*** ~~**00**~~ 90	Fats of sheep or goats, other than those of 1503
(c)	1602 90 ***91*** ~~**72**~~	Other prepared or preserved meat or meat offal of sheep or goats~~**, uncooked**~~;
	1602 90 ***95*** ~~**74**~~	~~**mixtures of cooked and uncooked meat or offal**~~
~~**(d)**~~	~~**1602 90 76**~~	~~**Other prepared or preserved meat or meat offal of sheep or goats, other than uncooked or mixtures of cooked and uncooked meat or offal**~~
	~~**1602 90 78**~~	

Part XIX: Eggs

The eggs sector shall cover the products listed in the following table:

	CN code	Description
(a)	0407 ~~**00**~~ 11 ***00***	Poultry eggs, in shell, fresh, preserved or cooked
	0407 ~~**00**~~ 19 ***11***	
	0407 19 19	
	0407 ***21*** 00 ~~**30**~~	
	0407 29 10	
	0407 90 10	
(b)	0408 11 80	Bird's eggs, not in shell, and egg yolks, fresh, dried, cooked by steaming or by boiling in water, moulded, frozen or otherwise preserved, whether or not containing added sugar or other sweetening matter, other than unfit for human consumption
	0408 19 81	
	0408 19 89	
	0408 91 80	
	0408 99 80	

Part XX: Poultrymeat

The poultrymeat sector shall cover the products listed in the following table:

	CN code	Description
(a)	0105	Live poultry, that is to say, fowls of the species *Gallus domesticus*, ducks, geese, turkeys and guinea fowls
(b)	ex 0207	Meat and edible offal, of the poultry of heading 0105 fresh, chilled or frozen, excluding livers falling within point (c)
(c)	0207 13 91	Poultry livers, fresh, chilled or frozen
	0207 14 91	
	0207 26 91	
	0207 27 91	
	0207 ***43 00*** ~~**34**~~	
	0207 ***44*** ~~**35**~~ 91	
	0207 ***45 93*** ~~**36 81**~~	
	~~**0207 36 85**~~	
	0207 ***45 95*** ~~**36 89**~~	
	0210 99 71	Poultry livers, salted, in brine, dried or smoked
	0210 99 79	
(d)	***ex*** 0209 ***90*** 00 ~~**90**~~	Poultry fat, not rendered or otherwise extracted, fresh, chilled, frozen, salted, in brine, dried or smoked
(e)	***ex*** 1501 ***90*** 00 ~~**90**~~	Poultry fat
(f)	1602 20 10	Goose or duck livers, otherwise prepared or preserved
	1602 31	Meat or meat offal of poultry of heading 0105, otherwise prepared or preserved
	1602 32	
	1602 39	

Part XXI: Ethyl alcohol of agricultural origin

1. The ethyl alcohol sector shall cover the products listed in the following table:

CN code	Description
ex 2207 10 00	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 % vol. or higher obtained from the agricultural products listed in Annex I to the Treaty
ex 2207 20 00	Ethyl alcohol and other spirits, denatured, of any strength, obtained from the agricultural products listed in Annex I to the Treaty
ex 2208 90 91 and ex 2208 90 99	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol. obtained from the agricultural products listed in Annex I to the Treaty

2. The ethyl alcohol sector shall also cover products based on ethyl alcohol of agricultural origin falling within CN code 2208 put up in containers of more than two litres and presenting all the characteristics of ethyl alcohol as described in point 1.

Part XXII: Apiculture products

The apiculture sector shall cover the products listed in the following table:

CN code	Description
0409 00 00	Natural honey
ex 0410 00 00	Royal jelly and propolis, edible
ex 0511 99 85	Royal jelly and propolis, non-edible
ex 1212 99 ***95*** ~~**70**~~	Pollen
ex 1521 90	Beeswax

Part XXIII: Silkworms

The silkworm sector shall cover silkworms falling within CN code ex 0106 90 00 and silkworm eggs falling within CN code ex 0511 99 85.

Part XXIV: Other products

~~**As regards o**~~**"O**ther products~~**, this shall**~~**"** mean**s** all ***agricultural*** products ~~**referred to in Article 1(1),**~~ other than those listed in Parts I to XXIII, including those listed in the following Sections 1 and 2.

Section 1

CN code	Description
ex 0101	Live horses, asses, mules and hinnies:
	– ***Horses***
0101 ***21 00*** ~~**10**~~	– – Pure-bred breeding animals ***(a):***
~~**0101 10 10**~~	~~**– – Horses (a)**~~
0101 ***29*** ~~**10 90**~~	– – Other**:**
~~**0101 90**~~	~~**– Other:**~~
	~~**– – Horses:**~~
0101 ***29*** 90 ~~**19**~~	– – – Other than for slaughter
0101 ~~**90**~~ 30 ***00***	– – Asses
0101 90 ***00*** ~~**90**~~	~~**– – Mules and hinnies**~~ ***Other***
ex 0102	Live bovine animals:
~~**ex 0102 90**~~	– – Other than pure-bred breeding animals:
ex 0102 39	
ex 0102 90	
~~**ex 0102 90 90 to**~~	– – – Other than domestic species
0102 39 90,	
0102 90 99	
ex 0103	Live swine:
0103 10 00	– Pure-bred breeding animals (b)
	– Other:
ex 0103 91	– – Weighing less than 50 kg:
0103 91 90	– – – Other than domestic species
ex 0103 92	– – Weighing 50 kg or more

CN code	Description
0103 92 90	– – Other than domestic species
0106	Other live animals
ex 0203	Meat of swine, fresh, chilled or frozen:
	– Fresh or chilled:
ex 0203 11	– – Carcasses and half-carcasses:
0203 11 90	– – – Other than of domestic swine
ex 0203 12	– – Hams, shoulders and cuts thereof, with bone in:
0203 12 90	– – – Other than of domestic swine
ex 0203 19	– – Other:
0203 19 90	– – – Other than of domestic swine
	– Frozen:
ex 0203 21	– – Carcasses and half-carcasses:
0203 21 90	– – – Other than of domestic swine
ex 0203 22	– – Hams, shoulders and cuts thereof, with bone in:
0203 22 90	– – – Other than of domestic swine
ex 0203 29	– – Other:
0203 29 90	– – – Other than of domestic swine
ex 0205 00	Meat of asses, mules or hinnies, fresh, chilled or frozen
ex 0206	Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen:
ex 0206 10	– Of bovine animals, fresh or chilled
0206 10 10	– – For the manufacture of pharmaceutical products (°)
	– Of bovine animals, frozen:
ex 0206 22 00	– – Livers:
	– – – For the manufacture of pharmaceutical products (°)
ex 0206 29	– – Other:
0206 29 10	– – – For the manufacture of pharmaceutical products (°)
ex 0206 30 00	– Of swine, fresh or chilled:
	– – For the manufacture of pharmaceutical products (°)
	– – Other:
	– – – other than of domestic swine
	– Of swine, frozen:
ex 0206 41 00	– – Livers:
	– – – For the manufacture of pharmaceutical products (°)
	– – – Other:
	– – – – other than of domestic swine
ex 0206 49 00	– – Other:
	– – – Of domestic swine:
	– – – – For the manufacture of pharmaceutical products (°)
	– – – Other
ex 0206 80	– Other, fresh or chilled:
0206 80 10	– – For the manufacture of pharmaceutical products (°)
	– – Other:
0206 80 91	– – – Of horses, asses, mules and hinnies
ex 0206 90	– Other, frozen:
0206 90 10	– – For the manufacture of pharmaceutical products (°)
	– – Other:
0206 90 91	– – – Of horses, asses, mules and hinnies
0208	Other meat and edible meat offal, fresh, chilled or frozen

CN code		Description
ex	0210	Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal:
		– Meat of swine:
ex	0210 11	– – Hams, shoulders and cuts thereof, with bone in:
	0210 11 90	– – – Other than of domestic swine
ex	0210 12	– – Bellies (streaky) and cuts thereof:
	0210 12 90	– – – Other than of domestic swine
ex	0210 19	– – Other:
	0210 19 90	– – – Other than of domestic swine
		– Other, including edible flours and meals of meat or meat offal:
	0210 91 00	– – Of primates
	0210 92 ***10*** ~~**00**~~	– – Of whales, dolphins and porpoises (mammals of the order *Cetacea*); of manatees and dugongs (mammals of the order *Sirenia*)**;** ***of seals, sea lions and walruses (mammals of the suborder Pinnipedia)***
	0210 93 00	– – Of reptiles (including snakes and turtles)
ex	0210 99	– – Other:
		– – – Meat:
	0210 99 31	– – – – Of reindeer
	0210 99 39	– – – – Other
		– – – Offal:
		– – – – Other than of domestic swine, bovine animals, sheep and goats
	0210 99 ***85*** ~~**80**~~	– – – – – Other than poultry livers
ex	0407 ~~**00**~~	Birds' eggs, in shell, fresh, preserved or cooked:
	0407 ***19*** ~~**00**~~ 90	– Other than of poultry
	0407 29 90	
	0407 90 90	
ex	0408	Birds' eggs, not in shell, and egg yolks, fresh, dried, cooked by steaming or by boiling in water, moulded, frozen or otherwise preserved, whether or not containing added sugar or other sweetening matter:
		– Egg yolks:
ex	0408 11	– – Dried:
	0408 11 20	– – – Unfit for human consumption ([d])
ex	0408 19	– – Other:
	0408 19 20	– – – Unfit for human consumption ([d])
		– Other:
ex	0408 91	– – Dried:
	0408 91 20	– – – Unfit for human consumption ([d])
ex	0408 99	– – Other:
	0408 99 20	– – – Unfit for human consumption ([d])
	0410 00 00	Edible products of animal origin, not elsewhere specified or included
	0504 00 00	Guts, bladders and stomachs of animals (other than fish), whole and pieces thereof, fresh, chilled, frozen, salted, in brine, dried or smoked
ex	0511	Animal products not elsewhere specified or included; dead animals of Chapter 1 or 3, unfit for human consumption:
	0511 10 00	– Bovine semen
		– Other:
ex	0511 99	– – Other:
	0511 99 85	– – – Other
ex	0709	Other vegetables, fresh or chilled:
ex	0709 60	– Fruits of the genus *Capsicum* or of the genus *Pimenta*:
		– – Other:
	0709 60 91	– – – – Of the genus *Capsicum*, for the manufacture of capsicin or capsicum oleoresin dyes ([c])
	0709 60 95	– – – For the industrial manufacture of essential oils or resinoids ([c])
	0709 60 99	– – – Other

CN code	Description
ex 0710	Vegetables (uncooked or cooked by steaming or boiling in water), frozen:
ex 0710 80	– Other vegetables:
	– – Fruits of the genus *Capsicum* or of the genus *Pimenta*:
0710 80 59	– – – Other than sweet peppers
ex 0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption:
ex 0711 90	– Other vegetables; mixtures of vegetables:
	– – Vegetables:
0711 90 10	– – – – Fruits of the genus *Capsicum* or of the genus *Pimenta*, excluding sweet peppers
ex 0713	Dried leguminous vegetables, shelled, whether or not skinned or split:
ex 0713 10	– Peas (Pisum sativum):
0713 10 90	– – Other than for sowing
ex 0713 20 00	– Chickpeas (garbanzos):
	– – Other than for sowing
	– Beans (Vigna spp., Phaseolus spp.):
ex 0713 31 00	– – Beans of the species Vigna mungo (L) Hepper or Vigna radiata (L) Wilczek:
	– – – Other than for sowing
ex 0713 32 00	– – Small red (Adzuki) beans (Phaseolus or Vigna angularis):
	– – – Other than for sowing
ex 0713 33	– – Kidney beans, including white pea beans (Phaseolus vulgaris):
0713 33 90	– – – Other than for sowing
ex 0713 34 00	***– – Bambara beans (Vigna subterranea or Voandzeia subterranea)***
	– – – Other than for sowing
ex 0713 35 00	***– – Cow peas (Vigna unguiculata):***
	– – – Other than for sowing
ex 0713 39 00	– – Other:
	– – – Other than for sowing
ex 0713 40 00	– Lentils:
	– – Other than for sowing
ex 0713 50 00	– Broad beans (*Vicia faba* var. *major*) and horse beans (*Vicia faba* var. ~~***equina***~~ ***quine*** and *Vicia faba* var. *minor*):
	– – Other than for sowing
ex 0713 60 00	***– Pigeon peas (Cajanus cajan):***
	– – Other than for sowing
ex 0713 90 00	– Other:
	– – Other than for sowing
0801	Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether or not shelled or peeled
ex 0802	Other nuts, fresh or dried, whether or not shelled or peeled:
~~**ex 0802 90**~~	~~**– Other**~~:
~~**ex**~~ 0802 ***70 00*** ~~**90 20**~~	***– –*** ~~**Areca (or betel) and cola**~~ ***Kola nuts (Cola spp.)***
0802 80 00	– ***Areca nuts***
ex 0804	Dates, figs, pineapples, avocados, guavas, mangoes and mangosteens, fresh or dried:
0804 10 00	– Dates
0902	Tea, whether or not flavoured
ex 0904	Pepper of the genus Piper; dried or crushed or ground fruits of the genus *Capsicum* or of the genus *Pimenta*, excluding sweet peppers falling within subheading 0904 ~~**20**~~***21*** 10
0905 ~~**00 00**~~	Vanilla
0906	Cinnamon and cinnamon-tree flowers
0907 ~~**00 00**~~	Cloves (whole fruit, cloves and stems)
0908	Nutmeg, mace and cardamoms
0909	Seeds of anise, badian, fennel, coriander, cumin or caraway; juniper berries
ex 0910	Ginger, turmeric (curcuma), bay leaves, curry and other spices excluding thyme and saffron
ex 1106	Flour, meal and powder of the dried leguminous vegetables of heading 0713, of sago or of roots or tubers of heading 0714 or of the products of Chapter 8:
1106 10 00	– Of the dried leguminous vegetables of heading 0713
ex 1106 30	– Of the products of Chapter 8:
1106 30 90	– – Other than bananas

CN code	Description
ex 1108	Starches; inulin:
1108 20 00	– Inulin
1201 ~~00~~ 90 ***00***	Soya beans, whether or not broken, other than ***seed*** ~~for sowing~~
1202 ***41 00*** ~~10 90~~	Groundnuts, not roasted or otherwise cooked, in shell, other than ***seed*** ~~for sowing~~
1202 ***42*** ~~20~~ 00	Ground-nuts, not roasted or otherwise cooked, shelled, whether or not broken**,** ***other than seed***
1203 00 00	Copra
1204 00 90	Linseed, whether or not broken, other than for sowing
1205 10 90 and	Rape or colza seeds, whether or not broken, other than for sowing
ex 1205 90 00	
1206 00 91	Sunflower seeds, whether or not broken, other than for sowing
1206 00 99	
1207 ***29 00*** ~~20 90~~	Cotton seeds, whether or not broken, other than for sowing
1207 40 90	Sesamum seeds, whether or not broken, other than for sowing
1207 50 90	Mustard seeds, whether or not broken, other than for sowing
1207 91 90	Poppy seeds, whether or not broken, other than for sowing
1207 99 91	Hemp seeds, whether or not broken, other than for sowing
ex 1207 99 ***96*** ~~97~~	Other oilseeds and oleaginous fruits, whether or not broken, other than for sowing
1208	Flours and meals of oil seeds or oleaginous fruits, other than those of mustard
ex 1211	Plants and parts of plants (including seeds and fruits) of a kind used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purposes, fresh or dried, whether or not cut, crushed or powdered excluding the products listed under CN code ex1211 90 ***85 86*** in Part IX of this Annex;
ex 1212	Locust beans, seaweeds and other algae, sugar beet and sugar cane, fresh, chilled, frozen or dried, whether or not ground; fruit stones and kernels and other vegetable products (including unroasted chicory roots of the variety *Cichorium intybus sativum*) of a kind used primarily for human consumption, not elsewhere specified or included:
ex 1212 99	– – Other than sugar cane :
1212 99 41 and	– – – Locust bean seeds
1212 99 49	
ex 1212 99 ***95*** ~~70~~	– – – Other, excluding chicory root
1213 00 00	Cereal straw and husks, unprepared, whether or not chopped, ground, pressed or in the form of pellets
ex 1214	Swedes, mangolds, fodder roots, hay, lucerne (alfalfa), clover, sainfoin, forage kale, lupines, vetches and similar forage products, whether or not in the form of pellets:
ex 1214 10 00	– Lucerne (alfalfa) meal and pellets, excluding of lucerne artificially heat-dried or of lucerne otherwise dried and ground
ex 1214 90	– Other:
1214 90 10	– – Mangolds, swedes and other fodder roots
ex 1214 90 90	– – Other, excluding:
	– Lucerne, sainfoin, clover, lupines, vetches and similar fodder products artificially heat-dried, except hay and fodder kale and products containing hay
	– Lucerne, sainfoin, clover, lupines, vetches, honey lotus, chickling pea and birdsfoot, otherwise dried and ground
ex 1502 00	Fats of bovine animals, sheep or goats, other than those of heading 1503:
ex 1502 ***10*** ~~00~~ 10	– For industrial uses other than the manufacture of foodstuffs for human consumption, excluding fats
ex 1502 90 10	obtained from bones and waste (c)
1503 00	Lard stearin, lard oil, oleostearin, oleo-oil and tallow oil, not emulsified or mixed or otherwise prepared
ex 1504	Fats and oils and their fractions, of fish or marine mammals, whether or not refined, but not chemically modified, excluding fish liver oils and the fractions of Headings 1504 10 and 1504 20
1507	Soya-bean oil and its fractions, whether or not refined, but not chemically modified
1508	Groundnut oil and its fractions, whether or not refined, but not chemically modified
1511	Palm oil and its fractions, whether or not refined, but not chemically modified
1512	Sunflower-seed, safflower or cotton-seed oil and fractions thereof, whether or not refined, but not chemically modified

CN code	Description
1513	Coconut (copra), palm kernel or babassu oil and fractions thereof, whether or not refined, but not chemically modified
1514	Rape, colza or mustard oil and fractions thereof, whether or not refined, but not chemically modified
ex 1515	Other fixed vegetable fats and oils (excluding jojoba oil of subheading ex 1515 90 11) and their fractions, whether or not refined, but not chemically modified
ex 1516	Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinised, whether or not refined, but not further prepared (excluding hydrogenated castor oil, so called 'opalwax' of subheading 1516 20 10)
ex 1517	Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this chapter, other than edible fats or oils or their fractions of heading 1516, excluding subheadings 1517 10 10, 1517 90 10 and 1517 90 93
1518 00 31	Fixed vegetable oils, fluid, mixed for technical or industrial uses other than the manufacture of foodstuffs for human consumption (c)
1518 00 39	
1522 00 91	Oil foots and dregs; soapstocks, resulting from the treatment of fatty substances or animal or vegetable waxes, excluding those containing oil having the characteristics of olive oil
1522 00 99	Other residues resulting from the treatment of fatty substances or animal or vegetable waxes, excluding those containing oil having the characteristics of olive oil
ex 1602	Other prepared or preserved meat, meat offal or blood: – Of swine:
ex 1602 41	– – Hams and cuts thereof:
1602 41 90	– – – Other than of domestic swine
ex 1602 42	– – Shoulders and cuts thereof:
1602 42 90	– – – Other than of domestic swine
ex 1602 49	– – Other, including mixtures:
1602 49 90	– – – Other than of domestic swine
ex 1602 90	– Other, including preparations of blood of any animal: – – Other than preparations of blood of any animal:
1602 90 31	– – – Of game or rabbit – – – Other: – – – – Other than containing the meat or meat offal of domestic swine: – – – – – Other than containing bovine meat or offal:
1602 90 99	– – – – – – Other than of sheep or goats
ex 1603 00	Extracts and juices of meat
1801 00 00	Cocoa beans, whole or broken, raw or roasted
1802 00 00	Cocoa shells, husks, skins and other cocoa waste
ex 2001	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid:
ex 2001 90	– Other:
2001 90 20	– – Fruits of the genus *Capsicum* other than sweet peppers or pimentos
ex 2005	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006:
ex 2005 99	– Other vegetables and mixtures of vegetables:
2005 99 10	– – Fruits of the genus *Capsicum* other than sweet peppers or pimentos
ex 2206	Other fermented beverages (for example, cider, perry, mead); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included:
2206 00 31 to 2206 00 89	– Other than piquette
ex 2301	Flours, meals and pellets, of meat or meat offal, of fish or of crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption; greaves:
2301 10 00	– Flours, meals and pellets, of meat or meat offal; greaves

CN code	Description
ex 2302	Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of cereals or of leguminous plants:
2302 50 00	– Of leguminous plants
2304 00 00	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil
2305 00 00	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of groundnut oil
ex 2306	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, other than those of heading 2304 or 2305 with the exception of CN subheading 2306 90 05 (oilcake and other solid residues resulting from the extraction of maize (corn) germ) and 2306 90 11 and 2306 90 19 (oilcake and other solid residues resulting from the extraction of olive oil)
ex 2307 00	Wine lees; argol:
2307 00 90	– Argol
ex 2308 00	Vegetable materials and vegetable waste, vegetable residues and by-products, whether or not in the form of pellets, of a kind used in animal feeding, not elsewhere specified or included:
2308 00 90	– Other than grape marc, acorns and horse-chestnuts, pomace or marc of fruit, other than grapes
ex 2309	Preparations of a kind used in animal feeding:
ex 2309 10	– Dog or cat food, put up for retail sale:
2309 10 90	– – Other than containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings 1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products
ex 2309 90	– Other:
ex 2309 90 10	– – Other, including premixes:
	– – ~~**Fish or m**~~***M***arine mammal solubles
ex 2309 90 91 to 2309 90 ~~**99**~~***996***	– – – Other than containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings 1702 30 50, 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products, excluding
	– Protein concentrates obtained from lucerne juice and grass juice
	– Dehydrated products obtained exclusively from solid residues and juice resulting from the preparation of the concentrates referred to in the first indent

([a]) Entry under this subheading is subject to the conditions laid down in the relevant Union provisions (see Council Directive 94/28/EC (OJ L 178, 12.7.1994, p. 66); Commission Regulation (EC) No 504/2008 (OJ L 149, 7.6.2008, p.3)).

([b]) Entry under this subheading is subject to conditions laid down in the relevant Union provisions (see Council Directive 88/661/EEC (OJ L 382, 31.12.1988, p. 36); Council Directive 94/28/EC (OJ L 178, 12.7.1994, p. 66); Commission Decision 96/510/EC (OJ L 210, 20.8.1996, p. 53)).

([c]) Entry under this subheading is subject to conditions laid down in the relevant Union provisions (see Articles 291 to 300 of Commission Regulation (EEC) No 2454/93 (OJ L 253, 11.10.1993, p. 1)).

([d]) Entry under this subheading is subject to conditions laid down in paragraph F of Section II of the preliminary provisions of the Combined Nomenclature.

Section 2

CN code	Description
0101 ***29 10*** ~~**90 11**~~	Live horses, for slaughter ([a])
ex 0205 00	Meat of horses, fresh, chilled or frozen
0210 99 10	Horsemeat, salted in brine or dried
0511 99 10	Sinews or tendons; parings and similar wastes of raw hides or skins
0701	Potatoes, fresh or chilled
0901	Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion
1105	Flour, meal, powder, flakes, granules and pellets of potatoes
ex 1212 99 ***95*** ~~**70**~~	Chicory roots
2209 00 91 and 2209 00 99	Vinegar and substitutes for vinegar obtained from acetic acid other than wine vinegar
4501	Natural cork, raw or simply prepared; waste cork; crushed, granulated or ground cork

([a]) Entry under this subheading is subject to conditions laid down in the relevant Union provisions (see Articles 291 to 300 of Commission Regulation (EEC) No 2454/93 (OJ L 253, 11.10.1993, p. 1)).

ANNEX II

DEFINITIONS REFERRED TO IN ARTICLE 3(1)

Part I: Definitions concerning the rice sector

I. The terms ‘paddy rice’, ‘husked rice’, ‘semi-milled rice’, ‘wholly milled rice’, ‘round grain rice’, ‘medium grain rice’, ‘long grain rice A or B’ and ‘broken rice’ shall be defined as follows:

1. (a) ‘Paddy rice’ means rice which has retained its husk after threshing.

(b) ‘Husked rice’ means paddy rice from which only the husk has been removed. Examples of rice falling within this definition are those with the commercial descriptions ‘brown rice’, ‘cargo rice’, ‘loonzain’ and ‘riso sbramato’.

(c) ‘Semi-milled rice’ means paddy rice from which the husk, part of the germ and the whole or part of the outer layers of the pericarp but not the inner layers have been removed.

(d) ‘Wholly milled rice’ means paddy rice from which the husk, the whole of the outer and inner layers of the pericarp, the whole of the germ in the case of long grain or medium grain rice and at least part thereof in the case of round grain rice have been removed, but in which longitudinal white striations may remain on not more than 10 % of the grains.

2. (a) ‘Round grain rice’ means rice, the grains of which are of a length not exceeding 5,2 mm and of a length/width ratio of less than 2.

(b) ‘Medium grain rice’ means rice, the grains of which are of a length exceeding 5,2 mm but not exceeding 6,0 mm and of a length/width ratio no greater than 3.

(c) ‘Long grain rice’ means:

- (i) long grain rice A, rice, the grains of which are of a length exceeding 6,0 mm and of ~~**which the**~~***a*** length/width ratio ~~**is**~~ greater than 2 but less than 3;

- (ii) long grain rice B, rice, the grains of which are of a length exceeding 6,0 mm and of ~~**which the**~~***a*** length/width ratio ~~**is**~~ equal to or greater than 3.

(d) ‘Measurements of the grains’ means grain measurements ~~**are taken**~~ on wholly milled rice ***taken*** by the following method:

- (i) take a sample representative of the batch;

- (ii) sieve the sample so as to retain only whole grains, including immature grains;

- (iii) carry out two measurements of 100 grains each and work out the average;

- (iv) express the result in millimetres, rounded off to one decimal place.

3. 'Broken rice' means grain fragments the length of which does not exceed three quarters of the average length of the whole grain.

II. As regards grains and broken grains which are not of unimpaired quality, the following definitions shall apply:

A. 'Whole grains' means grains from which only part of the end has been removed, irrespective of characteristics produced at each stage of milling.

B. 'Clipped grains' means grains from which the entire end has been removed.

C. 'Broken grains or fragments' means grains from which a part of the volume greater than the end has been removed; broken grains include:

large broken grains (pieces of grain of a length not less than half that of a grain, but not constituting a complete grain),

medium broken grains (pieces of grain of a length not less than a quarter of the length of a grain but which are smaller than the minimum size of 'large broken grains'),

fine broken grains (pieces of grain less than a quarter of the size of a grain but too large to pass through a sieve with a mesh of 1,4 mm),

fragments (small pieces or particles of grain which can pass through a sieve with a mesh of 1,4 mm); split grains (pieces produced by a longitudinal split in the grain) come under this definition.

D. 'Green grains' means grains which are not fully ripened.

E. 'Grains showing natural malformation' means grains showing a natural malformation whether or not of hereditary origin, as compared with the morphological characteristics typical of the variety.

F. 'Chalky grains' means grains at least three-quarters of the surface of which looks opaque and chalky.

G. ‘Grains striated with red’ means grains showing longitudinal red striations of differing intensity and shades, due to residues from the pericarp.

H. ‘Spotted grains’ means grains showing a well-defined small circle of dark colour of more or less regular shape; spotted grains also include those which show slight black striations on the surface only; the striations and spots must not show a yellow or dark aureole.

I. ‘Stained grains’ means grains which have undergone, on a small area of their surface, an obvious change in their natural colour; the stains may be of different colours (blackish, reddish, brown); deep black striations are also to be regarded as stains. If the colour of the stains is sufficiently marked (black, pink, reddish-brown) to be immediately visible and if they cover an area not less than half that of the grain, the grains must be considered to be yellow grains.

J. ‘Yellow grains’ means grains which have undergone, totally or partially, otherwise than by drying, a change in their natural colour and have taken on a lemon or orange-yellow tone.

K. ‘Amber grains’ means grains which have undergone, otherwise than by drying, a slight uniform change in colour over the whole surface; this change alters the colour of the grains to a light amber-yellow.

Part Ia: Technical definitions concerning the sugar sector

Section A: general definitions

1. ‘White sugars’ means sugars, not flavoured or coloured or containing any other added substances, containing, in the dry state, 99,5 % or more by weight of sucrose, determined by the polarimetric method.

2. ‘Raw sugars’ means sugars, not flavoured or coloured or containing any other added substances, containing, in the dry state, less than 99,5 % by weight of sucrose, determined by the polarimetric method.

2a. ‘Isoglucose’ means the product obtained from glucose or its polymers, with a content by weight in the dry state of at least 10 % fructose;

2b. ‘Inulin syrup’ means the immediate product obtained by hydrolysis of inulin or oligofructoses, containing in the dry state at least 10 % fructose in free form or as sucrose, and expressed as sugar/isoglucose equivalents. In order to avoid restrictions on the market for products with low sweetening power produced by inulin fibre processors without inulin syrup quota, this definition may be amended by the Commission;

3. A ‘delivery contract’ means a contract concluded between a seller and an undertaking for the delivery of beet for the manufacture of sugar.

4. 'Agreement within the trade' means one of the following:

(a) an agreement concluded, prior to the conclusion of any delivery contract, between undertakings or an undertakings' organisation recognised by the Member State concerned, or a group of such undertakings' organisations, on the one hand and a sellers' association recognised by the Member State concerned or a group of such sellers' organisations on the other;

(b) in the absence of any agreement as referred to in point (a), the law on companies and the law on cooperatives, in so far as they govern the delivery of sugar beet by the shareholders or members of a company or cooperative manufacturing sugar.

Section B: definitions applying during the period referred to in Article 100a

1. 'Quota sugar', 'quota isoglucose' and 'quota inulin syrup' mean any quantity of sugar, isoglucose or inulin syrup production attributed to a specific marketing year under the quota of the undertaking concerned.

2. 'Industrial sugar' means any quantity of sugar production attributed to a specific marketing year over and above the sugar quantity referred to in point 5, intended for the production by the industry of one of the products referred to in Article 101l~~m~~(2).

3. 'Industrial isoglucose' and 'industrial inulin syrup' mean any quantity of isoglucose or inulin syrup production attributed to a specific marketing year, intended for the production by the industry of one of the products referred to in Article 101l~~m~~ (2).

4. 'Surplus sugar', 'surplus isoglucose' and 'surplus inulin syrup' mean any quantity of sugar, isoglucose or inulin syrup production attributed to a specific marketing year over and above the respective quantities referred to in points ~~5~~1, ~~6~~2 and ~~7~~3.

5. 'Quota beet' means all sugar beet processed into quota sugar.

6. 'Full-time refiner' means a production unit:
- *of which the sole activity consists of refining imported raw cane sugar, or*
- *which refined in the marketing year 2004/2005 or, in the case of Croatia, 2007/2008 a quantity of at least 15~~,~~000 tonnes of imported raw cane sugar. ~~For the purpose of this indent, in the case of Croatia the marketing year shall be that of 2007/2008.~~*

Part II: Definitions concerning the hops sector

1. '***H*~~h~~ops' means the dried inflorescences, also known as cones, of the (female) climbing hop plant (*Humulus lupulus*); these inflorescences, which are greenish yellow and of an ovoid shape, have a flower stalk and their longest dimension generally varies from 2 to 5 cm~~;~~.**

2. '***H*~~h~~op powder' means the product obtained by milling the hops, containing all the natural elements thereof~~;~~.**

3. '***H*~~h~~op powder with higher lupulin content' means the product obtained by milling the hops after mechanical removal of a part of the leaves, stalks, bracts and rachides~~;~~.**

4. '***E*~~e~~xtract of hops' means the concentrated products obtained by the action of a solvent on the hops or on the hop powder~~;~~.**

5. '***M*~~m~~ixed hop products' means a mixture of two or more of the products referred to in points ~~(~~1~~)~~ to ~~(~~4~~)~~.

Part III: Definitions concerning the wine sector

Vine-related

1. "Grubbing-up" means the complete elimination of all vine stocks on an area planted with vines.

2. "Planting" means the definitive establishment of vine plants or parts of vine plants, whether or not grafted, with a view to producing grapes or to establishing a graft nursery.

3. "Grafting-on" means the grafting of a vine which has already been subject to a previous grafting.

Produce-related

4. "Fresh grapes" means the fruit of the vine used in making wine, ripe or even slightly raisined, which may be crushed or pressed by normal wine-cellar means and which may spontaneously produce alcoholic fermentation.

5. "Fresh grape must with fermentation arrested by the addition of alcohol" means a product which:

   (a) has an actual alcoholic strength of not less than 12 % volume and not more than 15 % volume;

(b) is obtained by addition to unfermented grape must, which has a natural alcoholic strength of not less than 8,5 % volume and is exclusively derived from wine grape varieties classifiable according to Article 63(2):

(i) either of neutral alcohol of vinous origin, including alcohol obtained from the distillation of dried grapes, having an actual alcoholic strength of not less than 96 % volume;

(ii) or of an unrectified product derived from the distillation of wine and having an actual alcoholic strength of not less than 52 % volume and not more than 80 % volume.

6. "Grape juice" means the unfermented but fermentable liquid product which:

(a) is obtained by appropriate treatment rendering it fit for consumption as it is;

(b) is obtained from fresh grapes or from grape must or by reconstitution. Where obtained by reconstitution, it shall be reconstituted from concentrated grape must or concentrated grape juice.

An actual alcoholic strength of the grape juice of not more than 1 % volume is permissible.

7. "Concentrated grape juice" means uncaramelised grape juice obtained by partial dehydration of grape juice carried out by any authorised method other than by direct heat in such a way that the figure indicated by a refractometer used in accordance with a method to be prescribed at a temperature of 20 °C is not less than 50,9 %.

An actual alcoholic strength of the concentrated grape juice of not more than 1 % volume is permissible.

8. "Wine lees" means the residue:

(a) accumulating in vessels containing wine after fermentation, during storage or after authorised treatment;

(b) obtained from filtering or centrifuging the product referred to in (a);

(c) accumulating in vessels containing grape must during storage or after authorised treatment; or

(d) obtained from filtering or centrifuging the product referred to in (c).

9. "Grape marc" means the residue from the pressing of fresh grapes, whether or not fermented.

10. “Piquette” means a product obtained by:

(a) the fermentation of untreated grape marc macerated in water; or

(b) leaching fermented grape marc with water.

11. “Wine fortified for distillation” means a product which:

(a) has an actual alcoholic strength of not less than 18 % volume and not more than 24 % volume;

(b) is obtained exclusively by the addition to wine containing no residual sugar of an unrectified product derived from the distillation of wine and having a maximum actual alcoholic strength of 86 % volume; or

(c) has a maximum volatile acidity of 1,5 grams per litre, expressed as acetic acid.

12. “Cuvée” means:

(a) the grape must;

(b) the wine; or

(c) the mixture of grape musts and/or wines with different characteristics,

intended for the preparation of a specific type of sparkling wine.

Alcoholic strength

13. “Actual alcoholic strength by volume” means the number of volumes of pure alcohol contained at a temperature of 20 °C in 100 volumes of the product at that temperature.

14. “Potential alcoholic strength by volume” means the number of volumes of pure alcohol at a temperature of 20 °C capable of being produced by total fermentation of the sugars contained in 100 volumes of the product at that temperature.

15. “Total alcoholic strength by volume” means the sum of the actual and potential alcoholic strengths.

16. “Natural alcoholic strength by volume” means the total alcoholic strength by volume of a product before any enrichment.

17. “Actual alcoholic strength by mass” means the number of kilograms of pure alcohol contained in 100 kilograms of product.

18. “Potential alcoholic strength by mass” means the number of kilograms of pure alcohol capable of being produced by total fermentation of the sugars contained in 100 kilograms of product.

19. “Total alcoholic strength by mass” means the sum of the actual and potential alcoholic strength.

Part IV: Definitions concerning the beef and veal sector

~~1.~~ ~~‘b~~***B***ovine animals’ means live animals of the domestic bovine species falling within CN codes ~~ex~~ 0102 ***21*** ~~10~~***, 0102 31 00, 0102 90 20, ex*** 0102 ***29 10*** ~~90 05~~ to ***ex*** 0102 ***29 99*** ~~90 79~~***, 0102 39 10, 0102 90 91***~~;~~.

~~2. ‘adult bovine animals’ means bovine animals aged 8 months or more.~~

Part V: Definitions concerning the milk and milk products sector

For the purpose of the implementation of the tariff quota for butter of New Zealand origin, the phrase ‘manufactured directly from milk or cream’ does not exclude butter manufactured from milk or cream, without the use of stored materials, in a single, self-contained and uninterrupted process which may involve the cream passing through a stage of concentrated milkfat and/or the fractionation of such milkfat.

Part VI: Definitions concerning the eggs sector

1. ‘***E***~~e~~ggs in shell’ means poultry eggs in shell, fresh, preserved, or cooked, other than eggs for hatching specified in ***point*** 2.~~;~~

2. ‘***E***~~e~~ggs for hatching’ means poultry eggs for hatching~~;~~**.**

3. ‘***W***~~w~~hole products’ means birds' eggs not in shell, whether or not containing added sugar or other sweetening matter suitable for human consumption~~;~~**.**

4. ‘***S***~~s~~eparated products’ means birds' egg yolks, whether or not containing added sugar or other sweetening matter suitable for human consumption.

Part VII: Definitions concerning the poultrymeat sector

1. '***Ll***~~*l*~~ive poultry' means live fowls, ducks, geese, turkeys and guinea fowls each weighing more than 185 grams**~~;~~.**

2. '***Cc***hicks' means live fowls, ducks, geese, turkeys and guinea fowls, each weighing not more than 185 grams**~~;~~.**

3. '***Ss***laughtered poultry' means dead fowls of the species gallus domesticus, ducks, geese, turkeys and guinea fowls, whole, with or without offal**~~;~~.**

4. '***Dd***~~*d*~~erived products' means the following:

   (a) products specified in point (a) of Part XX of Annex I;

   (b) products specified in point (b) of Part XX of Annex I, excluding slaughtered poultry and edible offal, known as 'poultry cuts';

   (c) edible offals specified in point (b) of Part XX of Annex I;

   (d) products specified in point (c) of Part XX of Annex I;

   (e) products specified in points (d) and (e) of Part XX of Annex I;

   (f) products referred to in point (f) of Part XX of Annex I, other than those ~~**products**~~ falling within CN codes 1602 20 **10** ~~**11 and 1602 20 19**~~.

Part VIII: Definitions concerning the apiculture sector

1. ***Honey shall be understood as honey ~~as referred to in~~ within the meaning of Council Directive 2001/110 EC[1] as amended by [COM(2012) 530 final] including as regards to the main types of honey.***

~~**'Honey' means the natural sweet substance produced by Apis mellifera bees from the nectar of plants or from secretions of living parts of plants or excretions of plant-sucking insects on the living parts of plants, which the bees collect, transform by combining with specific substances of their own, deposit, dehydrate, store and leave in honeycombs to ripen and mature.**~~

~~**The main types of honey are as follows:**~~

~~**(a) according to origin:**~~

~~**(i) blossom honey or nectar honey: honey obtained from the nectar of plants;**~~

~~**(ii) honeydew honey: honey obtained mainly from excretions of plant sucking insects (Hemiptera) on the living part of plants or secretions of living parts of plants;**~~

~~**(b) according to mode of production and/or presentation:**~~

~~**(iii) comb honey: honey stored by bees in the cells of freshly built broodless combs or thin comb foundation sheets made solely of beeswax and sold in sealed whole combs or sections of such combs;**~~

~~**(iv) chunk honey or cut comb in honey: honey which contains one or more pieces of comb honey;**~~

~~**(v) drained honey: honey obtained by draining decapped broodless combs;**~~

~~**(vi) extracted honey: honey obtained by centrifuging decapped broodless combs;**~~

~~**(vii) pressed honey: honey obtained by pressing broodless combs with or without the application of moderate heat not exceeding 45 oC;**~~

~~**(viii) filtered honey: honey obtained by removing foreign inorganic or organic matter in such a way as to result in the significant removal of pollen.**~~

~~**'Baker's honey' means honey which is:**~~

~~**(a) suitable for industrial uses or as an ingredient in other foodstuffs which are then processed and**~~

[1] ***Council Directive 2001/110/EC of 20 December 2001 relating to honey (OJ L 10, 12.1.2002, p. 47).***

~~**(b) may:**~~

~~**have a foreign taste or odour, or**~~

~~**have begun to ferment or have fermented, or**~~

~~**have been overheated.**~~

2. ‘Apiculture products’ means honey, beeswax, royal jelly, propolis or pollen.

ANNEX III

STANDARD QUALITY OF RICE AND SUGAR AS REFERRED TO IN ARTICLE 7 *AND ARTICLE 101G*

A. Standard quality for paddy rice

Paddy rice of standard quality shall:

(a) be of a sound and fair marketable quality, free of odour;

(b) contain a moisture content of maximum 13 %;

(c) have a yield of wholly milled rice 63 % by weight in whole grains (with a tolerance of 3 % of clipped grains) of which a percentage by weight of wholly milled rice grains which are not of unimpaired quality:

chalky grains of paddy rice under CN codes CN 1006 10 27 and CN 1006 10 98	1,5 %
chalky grains of paddy rice under CN codes other than CN 1006 10 27 and CN 1006 10 98:	2,0 %
grains striated with red	1,0 %
spotted grains	0,50 %
stained grains	0,25 %
yellow grains	0,02 %
amber grains	0,05 %

B. Standard qualities for sugar

I. Standard quality for sugar beet

Standard quality beet shall:

(a) be of sound and fair merchantable quality;

(b) have a sugar content of 16 % at the reception point.

II. Standard quality for white sugar

1. White sugar of the standard quality shall have the following characteristics:

 (a) be of sound, genuine and merchantable quality; dry, in homogeneous granulated crystals, free-flowing;

- (b) minimum polarisation: 99,7;
- (c) maximum moisture content: 0,06 %;
- (d) maximum invert sugar content: 0,04 %;
- (e) the number of points determined under point 2 shall not exceed a total of 22, nor:
  - 15 for the ash content,
  - 9 for the colour type, determined using the method of the Brunswick Institute of Agricultural Technology (~~**hereinafter referred to as**~~ ~~**'**~~the Brunswick method~~**'**~~),
  - 6 for the colouring of the solution, determined using the method of the International Commission for Uniform Methods of Sugar Analysis (~~**hereinafter referred to as**~~ ~~**'**~~the ICUMSA method~~**'**~~).

2. One point shall correspond to:
   - (a) 0,0018 % of ash content determined using the ICUMSA method at 28° Brix,
   - (b) 0,5 units of colour type determined using the Brunswick method,
   - (c) 7,5 units of colouring of the solution determined using the ICUMSA method.
3. The methods for determining the factors referred to in point 1 shall be those used for determining those factors under the intervention measures.

III. Standard quality for raw sugar

1. Raw sugar of the standard quality shall be sugar with a yield in white sugar of 92 %.
2. The yield of raw beet sugar shall be calculated by subtracting from the degree of polarisation of that sugar:
   - (a) its percentage ash content multiplied by four;
   - (b) its percentage invert sugar content multiplied by two;
   - (c) the number 1.

3. The yield of raw cane sugar shall be calculated by subtracting 100 from the degree of polarisation of that sugar multiplied by two.

ANNEX IIIa

UNION SCALES FOR THE CLASSIFICATION OF CARCASSES REFERRED TO IN ARTICLE 9a

A. Union scale for the classification of carcasses of bovine animals aged 8 months or more

I. Definitions

The following definitions shall apply:

1. 'carcass': the whole body of a slaughtered animal as presented after bleeding, evisceration and skinning;

2. 'half-carcass': the product obtained by separating the carcass referred to in point (1) symmetrically through the middle of each cervical, dorsal, lumbar and sacral vertebra and through the middle of the sternum and the ischiopubic symphysis.

II. Categories

The bovine carcasses shall be divided into the following categories:

Z: carcasses of animals aged from 8 months to less than 12 months;

A: carcasses of uncastrated male animals aged from 12 months to less than 24 months;

B: carcasses of uncastrated male animals aged from 24 months;

C: carcasses of castrated male animals aged from 12 months;

D: carcasses of female animals that have calved;

E: carcasses of other female animals aged from 12 months.

III. Classification

The carcasses shall be classified by successive assessment of:

1. Conformation, defined as follows:

Development of carcass profiles, in particular the essential parts (round, back, shoulder)

Conformation class	*Description*
S ***Superior***	***All profiles extremely convex; exceptional muscle development (double muscled carcass type)***
E ***Excellent***	***All profiles convex to super-convex; exceptional muscle development***
U ***Very good***	***Profiles on the whole convex, very good muscle development***
R ***Good***	***Profiles on the whole straight; good muscle development***
O ***Fair***	***Profiles straight to concave; average muscle development***
P ***Poor***	***All profiles concave to very concave; poor muscle development***

2. Fat cover, defined as follows:

- ***Amount of fat on the outside of the carcass and in the thoracic cavity***

Class of fat cover	*Description*
1 ***low***	***None up to low fat cover***
2 ***slight***	***Slight fat cover, flesh visible almost everywhere***
3 ***average***	***Flesh with the exception of the round and shoulder, almost everywhere covered with fat, slight deposits of fat in the thoracic cavity***
4 ***high***	***Flesh covered with fat, but on the round and shoulder still partly visible, some distinctive fat deposits in the thoracic cavity***
5 ***very high***	***Entire carcass covered with fat; heavy deposits in the thoracic cavity***

Member States are authorised to subdivide each of the classes provided for in points 1 and 2 into a maximim of three subclasses.

IV. Presentation

Carcasses and half-carcasses shall be presented:

1. without the head and without the feet; the head shall be separated from the carcass at the atloido-occipital joint and the feet shall be severed at the carpametacarpal or tarsometatarsal joints,

2. without the organs contained in the thoracic and abdominal cavities with or without the kidneys, the kidney fat and the pelvic fat,

3. without the sexual organs and the attached muscles and without the udder or the mammary fat.

V. Classification and identification

Slaughterhouses approved under Article 4 of Regulation (EC) No 853/2004 of the European Parliament and of the Council[1] shall take measures to ensure that all carcasses or half-carcasses bovine animals aged 8 months or more slaughtered in such slaughterhouses and bearing a health mark provided for Article 5(2) in conjunction with Chapter III of Section I of Annex I to Regulation (EC) No 854/2004 of the European Parliament and of the Council[2] are classified and identified in accordance with the Union scale.

Before identification by marking, Member States may grant authorisation to have the external fat removed from the carcasses or half-carcasses if this is justified by the fat cover.

B. Union scale for the classification of pig carcasses

I. Definition

'carcass' shall mean the body of a slaughtered pig, bled and eviscerated, whole or divided down the mid-line.

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[1] ***Regulation (EC) No 853/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin (***OJ L 139, 30.4.2004, p. 55***)***.

[2] ***Regulation (EC) No 854/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific rules for the organisation of official controls on products of animal origin intended for human consumption (***OJ L 139, 30.4.2004, p. 206***)***.

II. Classification

Carcasses shall be divided into classes according to their estimated lean-meat content and classified accordingly:

Classes	*Lean meat as percentage of carcass weight*
S	***60 or more***
E	***55 or more but less than 60***
U	***50 or more but less than 55***
R	***45 or more but less than 50***
O	***40 or more but less than 45***
P	***less than 40***

III. Presentation

Carcasses shall be presented without tongue, bristles, hooves, genital organs, flare fat, kidneys and diaphragm.

IV. Lean-meat content

1. The lean-meat content shall be assessed by means grading methods authorised by the Commission. Only statistically proven assessment methods based on the physical measurement of one or more anatomical parts of the pig carcass may be authorised. Authorisation of grading methods shall be subject to compliance with a maximum tolerance for statistical error in assessment.

2. However, the commercial value of the carcasses shall not be determined solely by their estimated lean-meat content.

V. Identification of carcasses

Unless otherwise provided for by the Commission, classified carcasses shall be identified by marking in accordance with the Union scale.

C. Union scale for the classification of sheep carcasses

I. Definition

As regards the terms 'carcass' and 'half-carcass' the definitions laid down in point A.I shall apply.

II. Categories

The carcasses shall be divided into the following categories:

A: carcasses of sheep under 12 months old,

B: carcasses of other sheep.

III. Classification

1. The carcasses shall be classified by way of application of the provisions in point A.III. mutatis mutandis. However, the term 'round' in point A.III.1 and in rows 3 and 4 of the table under point A.III.2. shall be replaced by the term 'hindquarter'.

IV. Presentation

Carcasses and half-carcasses shall be presented without the head (severed at the atlantooccipital joint), the feet (severed at the carpometacarpal or tarso-metatarsal joints), the tail (severed between the sixth and seventh caudal vertebrae), the udder, the genitalia, the liver and the pluck. Kidneys and kidney fat are included in the carcass.

Member States are authorised to permit different presentations when the refeence presentation is not used.

V. Identification of carcasses

Classified carcasses and half-carcasses shall be identified by marking in accordance with the Union scale.

ANNEX IIIb

LIST OF PRODUCTS EXCLUDED FROM A SCHOOL FRUIT SCHEME THAT IS CO-FINANCED WITH UNION AID REFERRED TO IN ARTICLE 21(3)

Products with:

- aAdded sugar

- aAdded fat

- aAdded salt

- aAdded sweeteners

ANNEX IIIbi

NATIONAL AND REGIONAL QUOTAS FOR THE PRODUCTION OF SUGAR, ISOGLUCOSE AND INULIN SYRUP AS REFERRED TO IN ARTICLE 101H

(in tonnes)

Member States or regions (1)	*Sugar (2)*	*Isoglucose (3)*	*Inulin syrup (4)*
Belgium	*676 235,0*	*114 580,2*	*0*
Bulgaria	*0*	*89 198,0*	
Czech Republic	*372 459,3*		
Denmark	*372 383,0*		
Germany	*2 898 255,7*	*56 638,2*	
Ireland	*0*		
Greece	*158 702,0*	*0*	
Spain	*498 480,2*	*53 810,2*	
France (metropolitan)	*3 004 811,15*		*0*
French overseas departments	*432 220,05*		
Croatia	*192 877,0*		
Italy	*508 379,0*	*32 492,5*	
Latvia	*0*		
Lithuania	*90 252,0*		
Hungary	*105 420,0*	*250 265,8*	
Netherlands	*804 888,0*	*0*	*0*
Austria	*351 027,4*		
Poland	*1 405 608,1*	*42 861,4*	
Portugal (mainland)	*0*	*12 500,0*	
Autonomous Region of the Azores	*9 953,0*		
Romania	*104 688,8*	*0*	
Slovenia	*0*		
Slovakia	*112 319,5*	*68 094,5*	
Finland	*80 999,0*	*0*	
Sweden	*293 186,0*		
United Kingdom	*1 056 474,0*	*0*	
TOTAL	*13 529 618,2*	*720 440,8*	*0*

ANNEX IIIc

DETAILED RULES ON TRANSFERS OF SUGAR OR ISOGLUCOSE QUOTAS IN ACCORDANCE WITH ARTICLE 101K

POINT I

For the purpose of this Annex:

(a) 'merger of undertakings' means the consolidation of two or more undertakings into a single undertaking;

(b) 'transfer of an undertaking' means the transfer or absorption of the assets of an undertaking having quota to one or more undertakings;

(c) 'transfer of a factory' means the transfer of ownership of a technical unit, including all the plant required to manufacture the product concerned, to one or more undertakings, resulting in the partial or total absorption of the production of the undertaking making the transfer;

(d) 'lease of a factory' means the leasehold contract of a technical unit including all the plant required for the manufacture of sugar, with a view to its operation, concluded for a period of at least three consecutive marketing years, which the parties agree not to terminate before the end of the third marketing year, with an undertaking which is established in the same Member State as the factory concerned, if, after the lease takes effect, the undertaking which rents the factory can be considered a solely sugar-producing undertaking for its entire production.

POINT II

1. Without prejudice to point 2, in the event of the merger or transfer of sugar-producing undertakings or the transfer of sugar factories, the quota shall be adjusted as follows:

(a) in the event of the merger of sugar-producing undertakings, the Member States shall allocate to the undertaking resulting from the merger a quota equal to the sum of the quotas allocated prior to the merger to the sugar-producing undertakings concerned;

(b) in the event of the transfer of a sugar-producing undertaking, the Member State shall allocate the quota of the transferred undertaking to the transferee undertaking for the production of sugar or, if there is more than one transferee undertaking, the allocation shall be made in proportion to the sugar production absorbed by each of them;

(c) in the event of the transfer of a sugar factory, the Member State shall reduce the quota of the undertaking transferring ownership of the factory and shall increase the quota of the sugar-producing undertaking or undertakings purchasing the factory in question by the quantity deducted in proportion to the production absorbed.

2. Where a number of the sugar-beet or cane growers directly affected by one of the operations referred to in point 1 expressly show their willingness to supply their beet or cane to a sugar-producing undertaking which is not party to those operations, the Member State may make the allocation on the basis of the production absorbed by the undertaking to which they intend to supply their beet or cane.

3. In the event of closure, in circumstances other than those referred to in point 1, of:
(a) a sugar-producing undertaking,
(b) one or more factories of a sugar-producing undertaking.

The Member State may allocate the part of the quotas involved in such closure to one or more sugar-producing undertakings.

Also in the case referred to in point (b) of the first subparagraph, where some of the producers concerned expressly show their willingness to supply their beet or cane to a given sugar-producing undertaking, the Member State may allocate the proportion of the quotas corresponding to the beet or cane concerned to the undertaking which they intend to supply with those products.

4. Where the derogation referred to in Article 101(5) is invoked, the Member State concerned may require the beet growers and the sugar undertakings concerned by that derogation to include in their agreements within the trade special clauses enabling the Member State to apply points 2 and 3 of this ~~Section~~Point.

5. In the event of the lease of a factory belonging to a sugar-producing undertaking, the Member State may reduce the quota of the undertaking offering the factory for rent and allocate the portion by which the quota was reduced to the undertaking which rents the factory in order to produce sugar in it.

If the lease is terminated during the period of three marketing years referred to in point I (d) the adjustment of quota under the first subparagraph of this point shall be cancelled retroactively by the Member State as at the date on which the lease took effect. However, if the lease is terminated by reason of force majeure, the Member State shall not be bound to cancel the adjustment.

6. Where a sugar-producing undertaking can no longer ensure that it meets its obligations under Union legislation towards the sugar-beet or cane producers concerned, and where that situation has been ascertained by the competent authorities of the Member State concerned, the latter may allocate for one or more marketing years the part of the quotas involved to one or more sugar-producing undertakings in proportion to the production absorbed.

7. Where a Member State grants a sugar producing undertaking price and outlet guarantees for processing sugar beet into ethyl alcohol, that Member State may, in agreement with that undertaking and the beet growers concerned, allocate all or part of the sugar production quotas to one or more other undertakings for one or more marketing years.

POINT III

In the event of the merger or transfer of isoglucose-producing undertakings or the transfer of an isoglucose-producing factory, the Member State may allocate the quotas involved for the production of isoglucose to one or more other undertakings, whether or not they have a production quota.

POINT IV

The measures taken pursuant to ~~Sections~~Points II and III may take effect only if the following conditions are met:

(a) the interests of each of the parties concerned are taken into consideration;

(b) the Member State concerned considers that they are likely to improve the structure of the beet, cane and sugar-manufacturing sectors;

(c) they concern undertakings established in the same territory for which the quota is set in Annex IIIbi.

POINT V

When the merger or transfer occurs between 1 October and 30 April of the following year, the measures referred to in ~~Sections~~Points II and III shall take effect for the current marketing year.

When the merger or transfer occurs between 1 May and 30 September of the same year, the measures referred to in ~~Sections~~Points II and III shall take effect for the following marketing year.

POINT VI

Where ~~Sections~~Points II and III are applied, Member States shall inform the Commission of the adjusted quotas not later than 15 days after the expiry of the periods referred to in ~~Section~~Point V.

ANNEX IIId

PURCHASE TERMS FOR BEETS, DURING THE PERIOD REFERRED TO IN ARTICLE 100a

POINT II

1. ***Delivery contracts shall be made in writing for a specified quantity of quota beet.***

2. ***Delivery contracts shall specify whether an additional quantity of beet may be supplied, and under what terms.***

POINT III

1. ***Delivery contracts shall indicate the purchase prices for the quantities of beet referred to in point (a) and, if appropriate, point (b), of Article 101(1a) of this Regulation. In the case of the quantities referred to in point (a) of Article 101(1a), those prices may not be lower than the minimum price for quota beet referred to in Article 101g(1).***

2. ***Delivery contracts shall lay down a fixed sugar content for beet. They shall include a conversion scale showing the different sugar contents and factors for converting the quantities of beet supplied into quantities corresponding to the sugar content shown in the delivery contract.***

   The scale shall be based on the yields corresponding to the different sugar contents.

3. ***Where a beet seller has signed a delivery contract with a sugar undertaking for the delivery of beet as referred to in point (a) of Article 101(1a), all deliveries by that seller, converted in accordance with paragraph 2 of this Point, shall be considered to be deliveries within the meaning of point (a) of Article 1011), up to the quantity of beet specified in the delivery contract.***

4. ***Sugar undertakings producing a quantity of sugar lower than their quota beet for which they have signed pre-sowing delivery contracts under point (a) of Article 101(1a), shall distribute the quantity of beet corresponding to any additional production up to the amount of their quota among the beet sellers with whom they have signed pre-sowing delivery contracts within the meaning of point (a) of Article 101(1a).***

   Agreements within the trade may derogate from this provision.

POINT IV

1. *Delivery contracts shall contain provisions concerning the staggering and normal duration of beet deliveries.*

2. *Provisions referred to in paragraph 1 shall be those applicable during the previous marketing year, taking account of the level of actual production; agreements within the trade may derogate therefrom.*

POINT V

1. *Delivery contracts shall provide for beet collection places.*

2. *Where beet sellers and sugar undertakings have already signed a delivery contract for the previous marketing year, the collection places agreed upon by them for deliveries during that marketing year shall remain in operation. Agreements within the trade may derogate from this provision.*

3. *Delivery contracts shall provide that loading and transport costs from the collection places are to be borne by the sugar undertaking subject to special agreements based on local rules or usages in operation before the previous marketing year.*

4. *However, in Denmark, Greece, Spain, Ireland, Portugal, Finland and the United Kingdom, where beet is delivered free-at-factory, delivery contracts shall require sugar undertakings to contribute to loading and transport costs and shall stipulate the percentage or amounts.*

POINT VI

1. *Delivery contracts shall provide for reception points for beet.*

2. *Where beet sellers and sugar undertakings have already signed a delivery contract for the previous marketing year, the reception points agreed upon by them for deliveries during that marketing year shall remain in operation. Agreements within the trade may derogate from this provision.*

POINT VII

1. *Delivery contracts shall provide for the sugar content to be determined using the polarimetric method. A sample of the beet shall be drawn at the time of reception.*

2. *Agreements within the trade may provide for samples to be drawn at another stage. In such cases, the delivery contract shall provide for a correction to compensate for any drop in the sugar content between the reception and the drawing of the sample.*

POINT VIII

Delivery contracts shall provide for gross weight, tare and sugar content to be determined using one of the following procedures:

(a) jointly, by the sugar undertaking and the beet growers' trade organisation, if an agreement within the trade so provides;

(b) by the sugar undertaking, under the supervision of the beet growers' trade organisation;

(c) by the sugar undertakings, under the supervision of an expert recognised by the Member State concerned, provided the beet seller defrays the costs thereof.

POINT IX

1. Delivery contracts shall require sugar undertakings to do one or more of the following for the whole quantity of beet delivered:

(a) to return the fresh pulp from the tonnage of beet delivered free of charge to the beet seller, ex-factory;

(b) to return part of that pulp, pressed, dried or dried and molassed, free of charge to the seller, ex-factory;

(c) to return the pulp, pressed or dried, to the seller, ex-factory; in this case, the sugar undertaking may require the beet sseller to pay the pressing or drying costs;

(d) to pay the beet seller compensation which takes account of the possibilities of selling the pulp concerned.

When parts of the whole quantity of beet delivered are subject to different treatment, the delivery contract shall impose more than one of the obligations provided for in the first subparagraph.

2. Agreements within the trade may provide for pulp to be delivered at a stage other than that referred to in paragraph 1(a), (b) and (c).

POINT X

1. Delivery contracts shall fix the time limits for any advance payments and for payment of the purchase price for beet.

2. The time limits referred to in paragraph 1 shall be those valid during the previous marketing year. Agreements within the trade may derogate from this provision.

POINT XI

Where delivery contracts lay down rules covering matters which are dealt with in this Annex, or where they contain provisions governing other matters, their provisions and effects shall not conflict with this Annex.

POINT XII

1. *Agreements in the trade as described in Annex II, Part Ia, point 11 to this Regulation shall contain arbitration clauses.*

2. *Where agreements within the trade at Community, regional or local level lay down rules covering matters which are dealt with in this Regulation, or where they contain provisions governing other matters, their provisions and effects shall not conflict with this Annex.*

3. *Agreements referred to in paragraph 2 lay down, in particular:*
   - *(a) rules on the distribution to beet sellers of quantities of beet which the sugar undertaking decides to buy prior to sowing, for the manufacture of sugar within the limits of the quota;*
   - *(b) rules on distribution as referred to in Point III(4);*
   - *(c) the conversion scale referred to in Point III(2);*
   - *(d) rules on the choice and supply of seeds of the varieties of beet to be produced;*
   - *(e) the minimum sugar content of beet to be delivered;*
   - *(f) a requirement for consultation between the sugar undertaking and the beet sellers' representatives before the starting date of beet deliveries is fixed;*
   - *(g) the payment of premiums to beet sellers for early or late deliveries;*
   - *(h) details of:*
     - *(i) the part of the pulp referred to in Point IX(1)(b),*
     - *(ii) the costs referred to in Point IX(1)(c),*
     - *(iii) the compensation referred to in Point IX(1)(d);*
   - *(i) the removal of pulp by the beet seller;*
   - *(j) without prejudice to Article 101g(1) of this Regulation, rules on how any difference between the reference threshold and the actual selling price of the sugar is to be allocated between the sugar undertaking and beet sellers.*

POINT XIII

Where there is no set agreement within the trade as to how the quantities of beet intended for the manufacture of sugar within the quota limits which the sugar undertaking offers to buy before sowing should be allocated among the beet sellers, the Member State concerned may itself lay down rules for such allocation.

Those rules may also grant to traditional sellers of beet to cooperatives delivery rights other than those which they would enjoy if they belonged to such cooperatives.

ANNEX IIIe

PURCHASE TERMS FOR BEETS, DURING THE PERIOD REFERRED TO IN ARTICLE 101(3)

POINT II

1. Delivery contracts shall be made in writing for a specified quantity of beet.

1a. The duration of the delivery contracts may be pluriannual.

2. Delivery contracts may specify whether an additional quantity of beet may be supplied, and under what terms.

POINT III

1. Delivery contracts shall indicate the purchase prices for the quantities of beet referred to in Point II.

1a. The price referred to in paragraph 1 shall apply to sugar beet of a standard quality as defined in point B of Annex III.

The price shall be adjusted by price increases or reductions, agreed by the parties in advance, to allow for deviations from the standard quality.

1b. The delivery contract shall specify how the evolution of market prices is to be allocated between the parties.

2. Delivery contracts shall lay down a fixed sugar content for beet. They shall include a conversion scale showing the different sugar contents and factors for converting the quantities of beet supplied into quantities corresponding to the sugar content shown in the delivery contract.

The scale shall be based on the yields corresponding to the different sugar contents.

POINT IV

Delivery contracts shall contain provisions concerning the staggering and normal duration of beet deliveries.

POINT V

1. ***Delivery contracts shall provide for beet collection places and the conditions linked to delivery and transport.***

2. ***Delivery contracts shall provide that responsibility for loading and transport costs from the collection places are clearly stipulated. Where delivery contracts s require sugar undertakings to contribute to loading and transport costs, the percentage or amounts shall be clearly stipulated.***

3. ***Delivery contracts shall provide that the costs incumbent upon each party are clearly specified.***

POINT VI

1. ***Delivery contracts shall provide for reception points for beet.***

2. ***Where beet sellers and sugar undertakings have already signed a delivery contract for the previous marketing year, the reception points agreed upon by them for deliveries during that marketing year shall remain in operation. Agreements within the trade may derogate from this provision.***

POINT VII

1. ***Delivery contracts shall provide for the sugar content to be determined using the polarimetric method or, in order to take into account technological developments, another method agreed between the two parties. A sample of the beet shall be drawn at the time of reception.***

2. ***Agreements within the trade may provide for samples to be drawn at another stage. In such cases, the delivery contract shall provide for a correction to compensate for any drop in the sugar content between the reception and the drawing of the sample.***

POINT VIII

Delivery contracts shall provide for the gross weight, tare and sugar content to be determined using procedures agreed:

(a) jointly, by the sugar undertaking and the beet growers' trade organisation, if an agreement within the trade so provides;

(b) by the sugar undertaking, under the supervision of the beet growers' trade organisation;

(c) by the sugar undertaking, under the supervision of an expert recognised by the Member State concerned, provided the beet seller defrays the costs thereof.

POINT IX

1. Delivery contracts shall require sugar undertakings to do one or more of the following for the whole quantity of beet delivered:

(a) to return the fresh pulp from the tonnage of beet delivered free of charge to the beet seller, ex-factory;

(b) to return part of that pulp, pressed, dried or dried and molassed, free of charge to the beet seller, ex-factory;

(c) to return the pulp, pressed or dried, to the beet seller, ex-factory; in this case, the sugar undertaking may require the seller to pay the pressing or drying costs;

(d) to pay the beet seller compensation which takes account of the possibilities of selling the pulp concerned.

When parts of the whole quantity of beet delivered are subject to different treatment, the delivery contract shall impose more than one of the obligations provided for in the first subparagraph.

2. Agreements within the trade may provide for pulp to be delivered at a stage other than that referred to in paragraph 1(a), (b) and (c).

POINT X

Delivery contracts shall fix the time limits for any advance payments and for payment of the purchase price for beet.

POINT XI

Where delivery contracts lay down rules covering matters which are dealt with in this Annex, or where they contain provisions governing other matters, their provisions and effects shall not conflict with this Annex.

POINT XII

1. Agreements in the trade as described in Annex II, Part Ia, Section A, point 11 to this Regulation shall contain arbitration clauses.

2a. Agreements in the trade may lay down a standard template for delivery contracts compatible with this Regulation and Union rules.

2. Where agreements within the trade at Union, regional or local level lay down rules covering matters which are dealt with in this Regulation, or where they contain provisions governing other matters, their provisions and effects shall not conflict with this Annex.

3. Agreements referred to in paragraph 2 lay down, in particular:

- ***(c) the conversion scale referred to in Point III(2);***
- ***(d) rules on the choice and supply of seeds of the varieties of beet to be produced;***
- ***(e) the minimum sugar content of beet to be delivered;***
- ***(f) a requirement for consultation between the sugar undertaking and the beet sellers' representatives before the starting date of beet deliveries is fixed;***
- ***(g) the payment of premiums to beet sellers for early or late deliveries;***
- ***(h) details of the conditions and costs relating to pulp as referred to in Point IX;***
- ***(i) the removal of the pulp by the beet seller;***
- ***(j) rules on adapting prices in cases where pluriannual contracts are agreed;***
- ***(k) rules on sampling and methods for determining gross weight, tare and sugar content.***

ANNEX IV

BUDGET FOR SUPPORT PROGRAMMES REFERRED TO IN ARTICLE 41(1)

in 1 000 EUR per budget year

***Bulgaria*~~BG~~**	26 762
***Czech Republic*~~CZ~~**	5 155
***Germany*~~DE~~**	38 895
***Greece*~~EL~~**	23 963
***Spain*~~ES~~**	353 081
***France*~~FR~~**	280 545
***Italy*~~IT~~**	336 997
***Cyprus*~~CY~~**	4 646
***Latvia*~~LT~~**	45
***Lithuania*~~LU~~**	588
***Hungary*~~HU~~**	29 103
***Malta*~~MT~~**	402
***Austria*~~AT~~**	13 688
***Portugal*~~PT~~**	65 208
***Romania*~~RO~~**	~~**42 100**~~ ***47 700***
***Slovenia*~~SI~~**	5 045
***Slovakia*~~SK~~**	5 085
***United Kingdom*~~UK~~**	120

Croatia

2014	2015	2016	2017	2018	2019	2020
11 885	11 885	11 885	10 832	10 832	10 832	10 832

~~ANNEX V~~

~~INTERNATIONAL ORGANISATIONS REFERRED TO IN ARTICLE 56(3)~~

~~- Codex Alimentarius~~

~~- United Nations Economic Commission for Europe~~

ANNEX VI

DEFINITIONS, DESIGNATIONS AND SALES DESCRIPTION OF PRODUCTS REFERRED TO IN ARTICLE 60

For the purposes of this Annex, the ***"***sale description***" meani***s the name under which a foodstuff is sold, within the meaning of Article 5(1) of Directive 2000/13/EC.

Part I. Meat of bovine animals aged less than 12 months

I. Definition

For the purposes of this Part of this Annex, "meat" means all carcases, meat on the bone or boned, and offal, whether or not cut, intended for human consumption, obtained from bovine animals aged less than 12 months, presented fresh, frozen or deep-frozen, whether or not wrapped or packed.

Ia. Classification of bovine animals aged less than 12 months at the slaughterhouse

On slaughter, all bovine animals aged less than 12 months shall be classified by the operators, under the supervision of the competent authority, in one of the following two categories:

(A) Category V: bovine animals aged less than 8 months

Category identification letter: V;

(B) Category Z: bovine animals aged from 8 months to less than 12 months

Category identification letter: Z.

This classification shall be carried out on the basis of the information contained in the passport accompanying the bovine animals or, failing this, on the basis of the data contained in the computerised database provided for in Article 5 of Regulation (EC) No 1760/2000 of the European Parliament and of the Council ~~of 17 July 2000 establishing a system for the identification and registration of bovine animals and regarding the labelling of beef and beef products~~[1].

[1] ***Regulation (EC) No 1760/2000 of the European Parliament and of the Council of 17 July 2000 establishing a system for the identification and registration of bovine animals and regarding the labelling of beef and beef products (OJ L 204, 11.8.2000, p. 1)~~-10~~.***

II. Sales descriptions

1. The meat of bovine animals aged less than 12 months shall only be marketed in the Member States under the following sales description(s) laid down for each Member State:

   (A) For the meat of bovine animals aged less than 8 months (Category identification letter: V):

Country of marketing	**Sales descriptions to be used**
Belgium	veau, viande de veau/kalfsvlees/Kalbfleisch
Bulgaria	месо от малки телета
Czech Republic	Telecí
Denmark	Lyst kalvekød
Germany	Kalbfleisch
Estonia	Vasikaliha
Greece	μοσχάρι γάλακτος
Spain	Ternera blanca, carne de ternera blanca
France	veau, viande de veau
Croatia	teletina
Ireland	Veal
Italy	vitello, carne di vitello
Cyprus	μοσχάρι γάλακτος
Latvia	Teļa gaļa
Lithuania	Veršiena
Luxembourg	veau, viande de veau/Kalbfleisch
Hungary	Borjúhús
Malta	Vitella
Netherlands	Kalfsvlees
Austria	Kalbfleisch
Poland	Cielęcina
Portugal	Vitela
Romania	carne de viţel
Slovenia	Teletina
Slovakia	Teľacie mäso
Finland	vaalea vasikanliha/ljust kalvkött
Sweden	ljust kalvkött
United Kingdom	Veal

(B) For the meat of bovine animals aged from 8 months to less than 12 months (Category identification letter: Z):

Country of marketing	**Sales descriptions to be used**
Belgium	jeune bovin, viande de jeune bovin/jongrundvlees/Jungrindfleisch
Bulgaria	Телешко месо
Czech Republic	hovězí maso z mladého skotu
Denmark	Kalvekød
Germany	Jungrindfleisch
Estonia	noorloomaliha
Greece	νεαρό μοσχάρι
Spain	Ternera, carne de ternera
France	jeune bovin, viande de jeune bovin
Croatia	mlada junetina
Ireland	rosé veal
Italy	vitellone, carne di vitellone
Cyprus	νεαρό μοσχάρι
Latvia	jaunlopa gaļa
Lithuania	Jautiena
Luxembourg	jeune bovin, viande de jeune bovin/Jungrindfleisch
Hungary	Növendék marha húsa
Malta	Vitellun
Netherlands	rosé kalfsvlees
Austria	Jungrindfleisch
Poland	młoda wołowina
Portugal	Vitelão
Romania	carne de tineret bovin
Slovenia	meso težjih telet
Slovakia	mäso z mladého dobytka
Finland	vasikanliha/kalvkött
Sweden	Kalvkött
United Kingdom	Beef

2. The sales descriptions referred to in point 1 may be supplemented by an indication of the name or designation of the pieces of meat or offal concerned.

3. The sales descriptions listed for category V in point A of the table set-out in point 1 and any new name derived from those sales descriptions shall only be used if the requirements of this Annex are met.

   In particular, the terms “veau”, “telecí”, “Kalb”, “μοσχάρι”, “ternera”, “kalv”, “veal”, “vitello”, “vitella”, “kalf”, “vitela” and “teletina” shall not be used in a sales description or be indicated on the labelling of the meat of bovine animals aged more than 12 months.

4. The conditions referred to in 1 shall not apply to the meat of bovine animals for which a protected designation of origin or geographical indication has been registered in accordance with Regulation (EC) No 510/2006, before 29 June 2007.

III. Compulsory indication on the label

1. Without prejudice to Directive 2000/13/EC of the European Parliament and of the Council of 20 March 2000 on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs and Articles 13, 14 and 15 of Regulation (EC) No 1760/2000, at each stage of production and marketing, operators shall label the meat of bovine animals aged less than 12 months with the following information:

(a) the sales description in accordance with point II of this part of the Annex;
(b) the age of the animals on slaughter, indicated, as the case may be, on the form:
- *"age on slaughter: less than 8 months";*
- *"age on slaughter: from 8 to less than 12 months".*

By way of derogation from point (b) operators may replace the indication on the age at slaughter by the indication of the category, respectively: "category V" or "category Z", at stages preceding the release to the final consumer.

2. In the case of the meat of bovine animals aged less than 12 months presented for sale un-prepacked at the point of retail sale to the final consumer, Member States shall lay down rules on how the information referred to in paragraph 1 is to be indicated.

IV. Recording

At each stage of production and marketing operators shall record the following information:

(a) the identification number and the date of birth of the animals, at slaughterhouse level only;
(b) a reference number making it possible to establish a link between, on the one hand, the identification of the animals from which the meat originates and, on the other hand, the sales description, the age on slaughter and the category identification letter given on the meat label;
(c) the date of arrival and departure of the animals and meat in the establishment.

V. Official checks

1. Member States shall designate the competent authority or authorities responsible for official checks performed to verify the application of this Annex and inform the Commission thereof.

2. Official checks shall be carried out by the competent authority or authorities in accordance with the general principles laid down in Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules[1].

3. The Commission's experts shall carry out, where required, jointly with the competent authorities concerned, and where applicable, the Member States' experts, on the spot checks to ensure that the provisions of this Annex are being implemented.

4. Any Member State on whose territory checks are carried out shall provide the Commission with all necessary assistance which it may require for the accomplishment of its tasks.

5. For meat imported from third countries a competent authority designated by the third country or, where applicable, an independent third-party body shall ensure that the requirements of this Annex are met. The independent body shall provide full assurance of compliance with the conditions laid down in European Standard EN 45011 or ISO/IEC Guide 65.

[1] *OJ L 165, 30.4.2004, p. 1-14.*

Part II.*Categories of g*~~G~~rapevine products

(1) Wine

Wine shall be the product obtained exclusively from the total or partial alcoholic fermentation of fresh grapes, whether or not crushed, or of grape must.

Wine shall:

(a) have, whether or not following application of the processes specified in Section B of Part I of Annex VII, an actual alcoholic strength of not less than 8,5% volume provided that the wine derives exclusively from grapes harvested in wine-growing zones A and B referred to in the Appendix to this Annex, and of not less than 9 % volume in other wine-growing zones;

(b) have, by way of derogation from the otherwise applicable minimum actual alcoholic strength, where it has a protected designation of origin or a protected geographical indication, whether or not following application of the processes specified in Section B of Part I of Annex VII, an actual alcoholic strength of not less than 4,5 % volume;

(c) have a total alcoholic strength of not more than 15 % volume. However, by way of derogation:

— the upper limit for the total alcoholic strength may reach up to 20 % volume for wines which have been produced without any enrichment from certain wine-growing areas of the Union, to be determined by the Commission by means of delegated acts pursuant to Article 59(1),

— the upper limit for the total alcoholic strength may exceed 15 % volume for wines with a protected designation of origin which have been produced without enrichment;

(d) have, subject to derogations which may be adopted by the Commission by means of delegated acts pursuant to Article 59(1), a total acidity content, expressed as tartaric acid, of not less than 3,5 grams per litre or 46,6 milliequivalents per litre.

"Retsina" shall be wine produced exclusively in the geographical territory of Greece using grape must treated with resin from the Aleppo pine. The use of Aleppo pine resin is permitted solely for the purpose of obtaining "Retsina" wine under the conditions laid down in Greece's applicable provision.

By way of derogation from point (b) "Tokaji eszencia" and "Tokajská esencia" are considered wine.

However, notwithstanding Article 60(2), Member States may allow the use of the term "wine" if:

(a) it is accompanied by the name of a fruit in the form of a composite name to market products obtained by the fermentation of fruit other than grapes; or

(b) it is part of a composite name.

Any confusion with products corresponding to the wine categories in this Annex shall be avoided.

(2) New wine still in fermentation

New wine still in fermentation shall be the product in which the alcoholic fermentation is not yet complete and which is not yet separated from its lees.

(3) Liqueur wine

Liqueur wine shall be the product:

(a) which has an actual alcoholic strength of not less than 15 % volume and not more than 22 % volume;

(b) which has a total alcoholic strength of not less than 17,5 % volume, except for certain liqueur wines with a designation of origin or with a geographical indication appearing on a list to be drawn up by the Commission by means of delegated acts pursuant to Article 59(1);

(c) which is obtained from:

— grape must in fermentation,

— wine,

— a combination of the above products, or

— grape must or a mixture thereof with wine for certain liqueur wines with a protected designation of origin or a protected geographical indication, to be determined by the Commission by means of delegated acts pursuant to Article 59(1);

(d) which has an initial natural alcoholic strength of not less than 12 % volume except for certain liqueur wines with a protected designation of origin or a protected geographical indication appearing on a list to be drawn up by the Commission by means of delegated acts pursuant to Article 59(1);

(e) to which the following has been added:

 (i) individually or in combination:

— neutral alcohol of vine origin, including alcohol produced from the distillation of dried grapes, having an actual alcoholic strength of not less than 96 % volume,

— wine or dried grape distillate, having an actual alcoholic strength of not less than 52 % volume and not more than 86 % volume;

 (ii) together with one or more of the following products where appropriate:

— concentrated grape must,

— a combination of one of the products referred to in point (e)(i) with a grape must referred to in the first and fourth indent of point (c);

(f) to which, by way of derogation from point (e), has been added, in so far as certain liqueur wines with a protected designation of origin or a protected geographical indication are concerned which appear on a list to be drawn up by the Commission by means of delegated acts pursuant to Article 59(1):

 (i) either of products listed in point (e)(i) individually or in combination; or

 (ii) one or more of the following products:

— wine alcohol or dried grape alcohol with an actual alcoholic strength of not less than 95 % volume and not more than 96 % volume,

— spirits distilled from wine or from grape marc, with an actual alcoholic strength of not less than 52 % volume and not more than 86 % volume,

— spirits distilled from dried grapes, with an actual alcoholic strength of not less than 52 % volume and of less than 94,5 % volume; and

 (iii) one or more of the following products, where appropriate:

— partially fermented grape must obtained from raisined grapes,

— concentrated grape must obtained by the action of direct heat, complying, with the exception of this operation, with the definition of concentrated grape must,

— concentrated grape must,

— a combination of one of the products listed in point (f)(ii) with a grape must referred to in the first and fourth indents of point (c).

(4) Sparkling wine

Sparkling wine shall be the product:

(a) which is obtained by first or second alcoholic fermentation:

— from fresh grapes,

— from grape must, or,

— from wine;

(b) which, when the container is opened, releases carbon dioxide derived exclusively from fermentation;

(c) which has an excess pressure, due to carbon dioxide in solution, of not less than 3 bar when kept at a temperature of 20 °C in closed containers; and

(d) for which the total alcoholic strength of the cuvées intended for their preparation shall not be less than 8,5 % volume.

(5) Quality sparkling wine

Quality sparkling wine shall be the product:

(a) which is obtained by first or second alcoholic fermentation:

— from fresh grapes,

— from grape must, or

— from wine;

(b) which, when the container is opened, releases carbon dioxide derived exclusively from fermentation;

(c) which has an excess pressure, due to carbon dioxide in solution, of not less than 3,5 bar when kept at a temperature of 20 °C in closed containers; and

(d) for which the total alcoholic strength of the cuvées intended for their preparation shall not be less than 9 % volume.

(6) Quality aromatic sparkling wine

Quality aromatic sparkling wines shall be the quality sparkling wine:

(a) which is obtained only by making use, when constituting the cuvée, of grape must or grape must in fermentation which is derived from specific wine grape varieties on a list to be drawn up by the Commission by means of delegated acts pursuant to Article 59(1).

Quality aromatic sparkling wines traditionally produced using wines when constituting the cuvée, shall be determined by the Commission by means of delegated acts pursuant to in Article 59(1);

(b) which has an excess pressure, due to carbon dioxide in solution, of not less than 3 bar when kept at a temperature of 20°C in closed containers;

(c) of which the actual alcoholic strength may not be less than 6 % volume; and

(d) of which the total alcoholic strength may not be less than 10 % volume.

(7) Aerated sparkling wine

Aerated sparkling wine shall be the product which:

(a) is obtained from wine without a protected designation of origin or a protected geographical indication;

(b) releases, when the container is opened, carbon dioxide derived wholly or partially from an addition of that gas; and

(c) has an excess pressure, due to carbon dioxide in solution, of not less than 3 bar when kept at a temperature of 20 °C in closed containers.

(8) Semi-sparkling wine

Semi-sparkling wine shall be the product which:

(a) ~~**is**~~ obtained from wine ~~**provided that such**~~***,*** ***new*** wine ~~**has**~~ ***still in fermentation, grape must or grape must in fermentation in so far as these products have*** a total alcohol~~**ic**~~ strength of ~~**not less than**~~ ***at least*** 9 % vol~~**ume**~~;

(b) has an actual alcoholic strength of not less than 7 % volume;

(c) has an excess pressure, due to endogenous carbon dioxide in solution of not less than 1 bar and not more than 2,5 bar when kept at a temperature of 20 °C in closed containers; and

(d) is placed in containers of 60 litres or less.

(9) Aerated semi-sparkling wine

Aerated semi-sparkling wine shall be the product which:

(a) ~~is~~ obtained from wine***, new wine still in fermentation, grape must or grape must in fermentation***;

(b) has an actual alcoholic strength of not less than 7 % volume and a total alcoholic strength of not less than 9 % volume;

(c) has an excess pressure of not less than 1 bar and not more than 2,5 bar when kept at a temperature of 20 °C in closed containers due to carbon dioxide in solution which has been wholly or partially added; and

(d) is placed in containers of 60 litres or less.

(10) Grape must

Grape must shall be the liquid product obtained naturally or by physical processes from fresh grapes. An actual alcoholic strength of the grape must of not more than 1 % volume is permissible.

(11) Partially fermented grape must

Grape must in fermentation shall be the product obtained from the fermentation of grape must which has an actual alcoholic strength of more than 1 % volume but less than three fifths of its total alcoholic strength by volume.

(12) Partially fermented grape must extracted from raisined grapes

Grape must in fermentation extracted from raisined grapes shall be the product obtained from the partial fermentation of grape must obtained from raisined grapes, the total sugar content of which before fermentation is at least 272 grams per litre and the natural and actual alcoholic strength of which shall not be less than 8 % volume. However, certain wines, to be determined by the Commission by means of delegated acts pursuant to Article 59(1), that meet these requirements shall not be considered as grape must in fermentation extracted from raisined grapes.

(13) Concentrated grape must

Concentrated grape must shall be uncaramelised grape must which is obtained by partial dehydration of grape must carried out by any authorised method other than by direct heat in such a way that the figure indicated by a refractometer used in accordance with a method to be prescribed in accordance with the third sub-paragraph of Article 62(3) and Article 68(d) at a temperature of 20 °C is not less than 50,9 %.

An actual alcoholic strength of the concentrated grape must of not more than 1 % volume is permissible.

(14) Rectified concentrated grape must

*'*Rectified concentrated grape must*'* ~~**shall be**~~ ***means:***

(a) the liquid uncaramelised product which:

~~**(a)**~~***i)*** is obtained by partial dehydration of grape must carried out by any authorised method other than direct heat in such a way that the figure indicated by a refractometer used ~~**in accordance with**~~ ***according to*** a method to be prescribed in accordance with ~~**the third sub-paragraph of**~~ Article 62(3) and Article 68(d)[1] at a temperature of 20 °C is not less than 61,7 %;

~~**(b)**~~***ii)*** has undergone authorised treatment for de-acidification and elimination of constituents other than sugar;

~~**(c)**~~***iii)*** has the following characteristics:

[1] ***In Regulation (EU) No 52/2013 the reference is to Article 120g of Regulation (EC) No 1234/2007.***

– a pH of not more than 5 at 25 Brix,

– an optical density at 425 nm for a thickness of 1 cm of not more than 0,100 in grape must concentrated at 25 Brix,

– a sucrose content undetectable by a method of analysis to be defined,

– a Folin-Ciocalteu index of not more than 6,00 at 25 °Brix,

– a titratable acidity of not more than 15 milliequivalents per kilogram of total sugars,

– a sulphur dioxide content of not more than 25 milligrams per kilogram of total sugars,

– a total cation content of not more than 8 milliequivalents per kilogram of total sugars,

– a conductivity at 25 °Brix and 20 °C of not more than 120 micro-Siemens/cm,

– a hydroxymethylfurfural content of not more than 25 milligrams per kilogram of total sugars,

– presence of mesoinositol.

An actual alcoholic strength of the rectified concentrated grape must of not more than 1 % volume is permissible***;***~~.~~

(b) the solid uncaramelised product which:

- ***(i) is obtained by crystallisation of liquid rectified concentrated grape must without the use of solvents;***

- ***(ii) has undergone authorised treatment for de-acidification and elimination of constituents other than sugar;***

- ***(iii) has the following characteristics after dilution in a solution at 25 °Brix:***

— a pH of not more than 7,5,

— an optical density at 425 nm for a thickness of 1 cm of not more than 0,100,

— a sucrose content undetectable by a method of analysis to be defined,

— a Folin-Ciocalteu index of not more than 6,00,

— a titratable acidity of not more than 15 millequivalents per kilogram of total sugars,

— a sulphur dioxide content of not more than 10 milligrams per kilogram of total sugars,

— a total cation content of not more than 8 millequivalents per kilogram of total sugars,

— a conductivity at 20 °C of not more than 120 micro-Siemens/cm,

— a hydroxymethylfurfural content of not more than 25 milligrams per kilogram of total sugars,

— presence of mesoinositol.

(15) Wine from raisined grapes

Wine from raisined grapes shall be the product which:

(a) is produced without enrichment, from grapes left in the sun or shade for partial dehydration;

(b) has a total alcoholic strength of at least 16 % volume and an actual alcoholic strength of at least 9 % volume; and

(c) has a natural alcoholic strength of a least 16 % volume (or 272 grams sugar/litre).

(16) Wine of overripe grapes

Wine of overripe grapes shall be the product which:

(a) is produced without enrichment;

(b) has a natural alcoholic strength of more than 15 % volume; and

(c) has a total alcoholic strength of not less than 15 % volume and an actual alcoholic strength of not less than 12 % volume.

Member States may prescribe a period of ageing for this product.

(17) Wine vinegar

Wine vinegar shall be vinegar which:

(a) is obtained exclusively by acetous fermentation of wine; and

(b) has a total acidity of not less than 60 grams per litre expressed as acetic acid.

Part III.Milk and milk products

1. The term 'milk' means exclusively the normal mammary secretion obtained from one or more milkings without either addition thereto or extraction therefrom.

   However, the term 'milk' may be used:

   (a) for milk treated without altering its composition or for milk the fat content of which is standardised under Part IV of this Annex;

   (b) in association with a word or words to designate the type, grade, origin and/or intended use of such milk or to describe the physical treatment or the modification in composition to which it has been subjected, provided that the modification is restricted to an addition and/or withdrawal of natural milk constituents.

2. For the purposes of this Part, 'milk products' means products derived exclusively from milk, on the understanding that substances necessary for their manufacture may be added provided that those substances are not used for the purpose of replacing, in whole or in part, any milk constituent.

   The following shall be reserved exclusively for milk products.

   (a) the following names used at all stages of marketing:

   - (i) whey,
   - (ii) cream,
   - (iii) butter,
   - (iv) buttermilk,
   - (v) butteroil,
   - (vi) caseins,
   - (vii) anhydrous milkfat (AMF),
   - (viii) cheese,
   - (ix) yogurt,
   - (x) kephir,

- (xi) koumiss,
- (xii) viili/fil,
- (xiii) smetana,
- (xiv) fil;
- ***(xv) rjaženka,***
- ***(xvi)rūgušpiens;***

(b) names within the meaning of Article 5 of [Directive 2000/13/EC] actually used for milk products.

3. The term ‘milk’ and the designations used for milk products may also be used in association with a word or words to designate composite products of which no part takes or is intended to take the place of any milk constituent and of which milk or a milk product is an essential part either in terms of quantity or for characterisation of the product.

4. ~~**The origin of milk and milk products to be defined by the Commission shall be stated if it is not bovine.**~~ ***As regards milk, the animal species from which the milk originates shall be stated, if it is not bovine.*** ~~**In order to take into account the expectations of the consumers and the evolution of the milk products market, the Commission shall be empowered to adopt deletated acts in accordance with Article 160 to specify the milk products for which the animal species from which the milk originates shall be stated, if it is not bovine, and to lay down the relevant necessary rules.**~~

5. The designations referred to in points 1, 2 and 3 of this Part may not be used for any product other than those referred to in that point.

However, this provision shall not apply to the designation of products the exact nature of which is clear from traditional usage and/or when the designations are clearly used to describe a characteristic quality of the product.

6. In respect of a product other than those described in points 1, 2 and 3 of this Part, no label, commercial document, publicity material or any form of advertising as defined in Article 2 of Council Directive 2006/114/EC[1] or any form of presentation~~,~~ may be used which claims, implies or suggests that the product is a dairy product.

However, in respect of a product which contains milk or milk products, the designation ‘milk’ or the designations referred to in the second subparagraph of points 2 of this Part may be used only to describe the basic raw materials and to list the ingredients in accordance with Directive 2000/13/EC.

[1] ***OJ L 376, 27.12.2006, p. 21.***

Part IV.Milk for human consumption falling within CN code 0401

I. Definitions

For the purposes of this Part:

(a) ‘milk’ means the produce of the milking of one or more cows;

(b) ‘drinking milk’ means the products referred to in point III intended for delivery without further processing to the consumer;

(c) ‘fat content’ means the ratio by mass of parts of milk fat per hundred parts of milk in the milk concerned;

(d) ‘protein content’ means the ratio by mass of parts of protein per hundred parts of milk in the milk concerned (obtained by multiplying by 6,38 the total nitrogen content of the milk expressed as a percentage by mass).

II. Delivery or sale to the final consumer

(1) Only milk complying with the requirements laid down for drinking milk may be delivered or sold without processing to the final consumer, either directly or through the intermediary of restaurants, hospitals, canteens or other similar mass caterers.

(2) The sales descriptions to be used for those products shall be those given in point III of this Part. Those descriptions shall be used only for the products referred to in that point, without prejudice to their use in composite descriptions.

(3) Member States shall adopt measures to inform consumers of the nature and composition of the products concerned where the absence of such information is likely to cause confusion.

III. Drinking milk

1. The following products shall be considered as drinking milk:

 (a) raw milk: milk which has not been heated above 40ºC or subjected to treatment having equivalent effect;

 (b) whole milk: heat-treated milk which, with respect to fat content, meets one of the following requirements:

(i) standardised whole milk: milk with a fat content of at least 3,50 % (m/m). However, Member States may provide for an additional category of whole milk with a fat content of 4,00 % (m/m) or above;

(ii) non-standardised whole milk: milk with a fat content that has not been altered since the milking stage either by the addition or removal of milk fats or by mixture with milk the natural fat content of which has been altered. However, the fat content may not be less than 3,50 % (m/m);

 (c) semi-skimmed milk: heat-treated milk whose fat content has been reduced to at least 1,50 % (m/m) and at most 1,80 % (m/m);

 (d) skimmed-milk: heat-treated milk whose fat content has been reduced to not more than 0,50 % (m/m).

 Heat-treated milk not complying with the fat content requirements laid down in points (b), (c) and (d) of the first subparagraph shall be considered drinking milk provided that the fat content is clearly indicated with one decimal and easily readable on the packaging in form of "… % fat". Such milk shall not be described as whole milk, semi-skimmed milk or skimmed milk.

2. Without prejudice to point 1(b)(ii), only the following modifications shall be allowed:

 (a) in order to meet the fat contents laid down for drinking milk, modification of the natural fat content by the removal or addition of cream or the addition of whole milk, semi-skimmed milk or skimmed milk;

 (b) enrichment of milk with milk proteins, mineral salts or vitamins, in accordance with Regulation (EC) No 1925/2006 of the European Parliament and of the Council of 20 December 2006 on the addition of vitamins and minerals and of certain other substances to foods[1];

[1] OJ L 404, 30.12.2006, p. 26.

(c) reduction of the lactose content by conversion to glucose and galactose.

Modifications in the composition of milk referred to in points (b) and (c) shall be allowed only if they are indelibly indicated on the packing of the product so that it can be easily seen and read. However, such indication shall not remove the obligation as regards nutrition labelling laid down by Council Directive 90/496/EEC[1]. Where proteins are added, the protein content of the enriched milk must be 3,8 % (m/m) or more.

However, Member States may limit or prohibit modifications to the composition of milk referred to in points (b) and (c).

3. Drinking milk shall:

(a) have a freezing point close to the average freezing point for raw milk recorded in the area of origin of the drinking milk collected;

(b) have a mass of not less than 1028 grams per litre for milk containing 3,5 % (m/m) of fat at a temperature of 20°C or the equivalent weight per litre for milk having a different fat content;

(c) contain a minimum of 2,9 % (m/m) of protein for milk containing 3,5 % (m/m) of fat or an equivalent concentration in the case of milk having a different fat content.

[1] ***Council Directive 90/496/EEC of 24 September 1990 on nutrition labelling for foodstaffs*** ***(***OJ L 276, 6.10.1990, p. 40***)***.

Part V. Products of the poultrymeat sector

I This Part of this Annex shall apply in relation to the marketing within the Union by way of business or trade, of certain types and presentations of poultrymeat, and poultrymeat or poultry offal preparations and products, of the following species

- Gallus domesticus,
- ducks,
- geese,
- turkeys,
- guinea fowls.

These provisions shall also apply to poultrymeat in brine falling within CN code 0210 99 39.

II Definitions

(1) 'poultrymeat' means poultrymeat suitable for human consumption, which has not undergone any treatment other than cold treatment;

(2) “fresh poultrymeat” means poultrymeat which has not been stiffened at any time by the cooling process prior to being kept at a temperature not below – 2 °C and not higher than + 4 °C. However, Member States may lay down slightly different temperature requirements for the minimum length of time necessary for the cutting and handling of fresh poultrymeat performed in retail shops or in premises adjacent to sales points, where the cutting and handling are performed solely for the purpose of supplying the consumer directly on the spot;

(3) “frozen poultrymeat” means poultrymeat which must be frozen as soon as possible within the constraints of normal slaughtering procedures and is to be kept at a temperature no higher than – 12 °C at any time

(4) 'quick-frozen poultrymeat' means poultrymeat which is to be kept at a temperature no higher than -18°C at any time within the tolerances as provided for in Council Directive 89/108/EEC[1].

[1] OJ L 40, 11. 2. 1999, p. 34.

(5) "poultrymeat preparation" means poultrymeat including poultrymeat that has been reduced to fragments, which has had foodstuffs, seasonings or additives added to it or which has undergone processes insufficient to modify the internal muscle fibre structure of the meat;

(6) "fresh poultrymeat preparation" means a poultrymeat preparation for which fresh poultrymeat has been used.

However, Member States may lay down slightly different temperature requirements to be applied for the minimum length of time necessary and only to the extent necessary to facilitate the cutting and handling performed in the factory during the production of fresh poultrymeat preparations;

(7) "poultrymeat product" means a meat product as defined in point 7.1 of Annex I to Regulation (EC) No 853/2004 for which poultrymeat has been used.

III ***Poultrymeat and poultrymeat preparations shall be marketed in one of the following conditions:***

– fresh,

– frozen,

– quick-frozen.

Part Va. Eggs of hens of the Gallus gallus species

I. Scope

(1) Without prejudice to Article 59 concerning the marketing standards of eggs for hatching and of farmyard poultry chicks, this Part shall apply in relation to the marketing within the Union of the eggs produced in the Union, imported from third countries or intended for export outside the Union.

(2) Member States may exempt from the requirements provided for in this Part, with the exception of point III(3), eggs sold directly to the final consumer by the producer:

(a) on the production site, or

(b) in a local public market or by door-to-door selling in the region of production of the Member State concerned.

Where such exemption is granted, each producer shall be able to choose whether to apply such exemption or not. Where this exemption is applied, no quality and weight grading may be used.

The Member State may establish, in accordance with their national law, the definition of the terms 'local public market', 'door-to-door selling' and 'region of production'.

II. Quality and weight grading

(1) Eggs shall be graded by quality as follows:

(a) Class A or 'fresh',

(b) Class B.

(2) Class A eggs shall also be graded by weight. However, grading by weight shall not be required for eggs delivered to the food and non-food industry.

(3) Class B eggs shall only be delivered to the food and non-food industry.

III. Marking of eggs

(1) Class A eggs shall be marked with the producer code.

Class B eggs shall be marked with the producer code and/or with another indication.
Member States may exempt Class B eggs from this requirement where those eggs are marketed exclusively on their territory.

(2) The marking of eggs in accordance with point 1 shall take place at the production site or at the first packing centre to which eggs are delivered.

(3) Eggs sold by the producer to the final consumer on a local public market in the region of production of the Member State concerned shall be marked in accordance with point 1.
However, Member States may exempt from this requirement producers with up to 50 laying hens, provided that the name and address of the producer are indicated at the point of sale.

Part VI. Spreadable fats

I. Sales description

The products referred to in Article 60 ***(1)(f)*** may not be supplied or transferred without processing to the ultimate consumer either directly or through restaurants, hospitals, canteens or similar establishments, unless they meet the requirements set out in the ~~**Annex**~~ ***Appendix to this Part***.

The sales descriptions of these products shall be those specified in ***the Appendix to*** this Part ***without prejudice to point II(2), (3) and (4) of this Part***.

The sales descriptions ~~**below**~~ ***in the Appendix to this Part*** shall be reserved to the products defined therein with the following CN codes and having a fat content of at least 10% but less than 90% by weight:

(a) milk fats falling within CN codes 0405 and ex2106;

(b) fats falling within CN code ex1517;

(c) fats composed of plant and/or animal products falling within CN codes ex 1517 and ex 2106.

The fat content excluding salt shall be at least two-thirds of the dry matter.

However, these sales descriptions shall only apply to products which remain solid at a temperature of 20°C, and which are suitable for use as spreads.

These definitions shall not apply to:

(a) the designation of products the exact nature of which is clear from traditional usage and/or when the designations are clearly used to describe a characteristic quality of the product;

(b) concentrated products (butter, margarine, blends) with a fat content of 90 % or more.

II. Terminology

1. The term 'traditional' may be used together with the name 'butter' provided for in point 1 of part A of the Appendix to this Part, where the product is obtained directly from milk or cream.

For the purposes of this point, 'cream' means the product obtained from milk in the form of an emulsion of the oil-in-water type with a milk-fat content of at least 10 %.

2. Terms for products referred to in the Appendix to this Part which state, imply or suggest fat content other than those referred to in that Appendix shall be prohibited.

3. By way of derogation from paragraph 2 and in addition, the term 'reduced-fat' or "light" may be used for products referred to in the Appendix to this Part with a fat content of not more than 62 %.

The term 'reduced-fat' and the term 'light' may, however, replace the terms 'three-quarter-fat' or 'half-fat' used in the Appendix to this Part.

4. The sales descriptions 'minarine' or 'halvarine' may be used for products referred to in point 3 of Part B of the Appendix to this Part.

5. The term 'vegetable' may be used together with the sales descriptions in Part B of the Appendix to this Part, provided that the product contains only fat of vegetable origin with a tolerance of 2 % of the fat content for animal fats. This tolerance shall also apply where reference is made to a vegetable species.

Appendix to Part VI

Fat group Definitions	Sales description	Product categories Additional description of the category with an indication of the % fat content by weight
A. Milk fats Products in the form of a solid, malleable emulsion, principally of the water-in-oil type, derived exclusively from milk and/or certain milk products, for which the fat is the essential constituent of value. However, other substances necessary for their manufacture may be added, provided those substances are not used for the purpose of replacing, either in whole or in part, any milk constituents.	1. Butter	The product with a milk-fat content of not less than 80 % but less than 90 %, a maximum water content of 16 % and a maximum dry non-fat milk-material content of 2 %.
	2. Three-quarter fat butter (*)	The product with a milk-fat content of not less than 60 % but not more than 62 %.
	3. Half fat butter (**)	The product with a milk-fat content of not less than 39 % but not more than 41 %.
	4. Dairy spread X %	The product with the following milk-fat contents: - less than 39 %, - more than 41 % but less than 60 %, - more than 62 % but less than 80 %.
B. Fats Products in the form of a solid, malleable emulsion, principally of the water-in-oil type, derived from solid and/or liquid vegetable and/or animal fats suitable for human consumption, with a milk-fat content of not more than 3 % or the fat content.	1. Margarine	The product obtained from vegetable and/or animal fats with a fat content of not less than 80 % but less than 90 %.
	2. Three-quarter-fat margarine (***)	The product obtained from vegetable and/or animal fats with a fat content of not less than 60 % but nor more than 62 %.
	3. Half-fat margarine (****)	The product obtained from vegetable and/or animal fats with a fat content of not less than 39 % but not more than 41 %.
	4. Fat spreads X %	The product obtained from vegetable and/or animal fats with the following fat contents: - less than 39 %, - more than 41 % but less than 60 %, - more than 62 % but less than 80 %.

Fat group	Sales description	Product categories
Definitions		Additional description of the category with an indication of the % fat content by weight
C. Fats composed of plant and/or animal products Products in the form of a solid, malleable emulsion principally of the water-in-oil type, derived from solid and/or liquid vegetable and/or animals fats suitable for human consumption, with a milk-fat content of between 10 % and 80 % of the fat content.	1. Blend	The product obtained from a mixture of vegetable and/or animal fats with a fat content of not less than 80 % but less than 90 %.
	2. Three-quarter-fat blend (*****)	The product obtained from a mixture of vegetable and/or animal fats with a fat content of not less than 60 % but not more than 62 %.
	3. Half-fat blend (******)	The product obtained from a mixture of vegetable and/or animal fats with a fat content of not less than 39 % but not more than 41 %.
	4. Blended spread X %	The product obtained from a mixture of vegetable and/or animal fats with the following fat contents: - less than 39 %, - more than 41 % but less than 60 %, - more than 62 % but less than 80 %.

(*) corresponding to 'smør 60' in Danish.
(**) corresponding to 'smør 40' in Danish.
(***) corresponding to 'margarine 60' in Danish.
(****) corresponding to 'margarine 40' in Danish.
(*****) corresponding to 'blandingsprodukt 60' in Danish.
(******) corresponding to 'blandingsprodukt 40' in Danish.

Part VII. Descriptions and definitions of olive oil and olive pomace oils

The use of the descriptions and definitions of olive oils and olive pomace oils set out in this Part shall be compulsory as regards the marketing of the products concerned within the Union and, insofar as compatible with international compulsory rules, in trade with third countries.

Only oils referred to in points 1(a) and (b), 3 and 6 of this Part may be marketed at the retail stage.

(1) VIRGIN OLIVE OILS

Oils obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions that do not lead to alterations in the oil, which have not undergone any treatment other than washing, decantation, centrifugation or filtration, to the exclusion of oils obtained using solvents or using adjuvants having a chemical or biochemical action, or by re-esterification process and any mixture with oils of other kinds.

Virgin olive oils are exclusively classified and described as follows:

(a) Extra virgin olive oil

Virgin olive oil having a maximum free acidity in terms of-oleic acid, of 0,8 g per 100 g, the other characteristics of which comply with those laid down for this category.

(b) Virgin olive oil

Virgin olive oil having a maximum free acidity in terms of oleic acid, of 2 g per 100 g, the other characteristics of which comply with those laid down for this category.

(c) Lampante olive oil

Virgin olive oil having a free acidity in terms of oleic acid, of more than 2 g per 100 g, and/or the other characteristics of which comply with those laid down for this category.

(2) REFINED OLIVE OIL

Olive oil obtained by refining virgin olive oil, having a free acidity content**,** expressed as oleic acid, of not more than 0,3 g per 100 g, and the other characteristics of which comply with those laid down for this category.

(3) OLIVE OIL — COMPOSED OF REFINED OLIVE OILS AND VIRGIN OLIVE OILS

Olive oil obtained by blending refined olive oil and virgin olive oil other than lampante olive oil, having a free acidity content**,** expressed as oleic acid, of not more than 1 g per 100 g, and the other characteristics of which comply with those laid down for this category.

(4) CRUDE OLIVE-POMACE OIL

Oil obtained from olive pomace by treatment with solvents or by physical means or oil corresponding to lampante olive oil, except for certain specified characteristics, excluding oil obtained by means of re-esterification and mixtures with other types of oils, and the other characteristics of which comply with those laid down for this category.

(5) REFINED OLIVE-POMACE OIL

Oil obtained by refining crude olive-pomace oil, having free acidity content**,** expressed as oleic acid, of not more than 0,3 g per 100 g, and the other characteristics of which comply with those laid down for this category.

(6) OLIVE-POMACE OIL

Oil obtained by blending refined olive-pomace oil and virgin olive oil other than lampante olive oil, having a free acidity content**,** expressed as oleic acid, of not more than 1 g per 100 g, and the other characteristics of which comply with those laid down for this category.

Appendix ~~to Annex VI~~ (referred to in Part II)

Wine growing zones

The wine-growing zones shall be the following:

(1) Wine-growing zone A comprises:

(a) in Germany: the areas planted with vines other than those included in point 2(a);

(b) in Luxembourg: the Luxembourg wine-growing region;

(c) in Belgium, Denmark, Ireland, the Netherlands, Poland, Sweden and the United Kingdom: the wine-growing areas of these ~~**countries**~~***Member States***;

(d) in the Czech Republic: the wine growing region of Čechy.

(2) Wine-growing zone B comprises:

(a) in Germany, the areas planted with vines in the specified region Baden;

(b) in France, the areas planted with vines in the departments not mentioned in this Annex and in the following departments:

— in Alsace: Bas-Rhin, Haut-Rhin,

— in Lorraine: Meurthe-et-Moselle, Meuse, Moselle, Vosges,

— in Champagne: Aisne, Aube, Marne, Haute-Marne, Seine-et-Marne,

— in the Jura: Ain, Doubs, Jura, Haute-Saône,

— in Savoie: Savoie, Haute-Savoie, Isère (commune de Chapareillan),

— in the Val de Loire: Cher, Deux-Sèvres, Indre, Indre-et-Loire, Loir-et-Cher, Loire-Atlantique, Loiret, Maine-et-Loire, Sarthe, Vendée, Vienne, and the areas planted with vines in the arrondissement of Cosne-sur-Loire in the department of Nièvre;

(c) in Austria, the Austrian wine-growing area;

(d) in the Czech Republic, the wine-growing region of Morava and the areas planted with vines not included in point 1(d);

(e) in Slovakia, the areas planted with vines in the following regions: Malokarpatská vinohradnícka oblast, Južnoslovenská vinohradnícka oblast, Nitrianska vinohradnícka oblast, Stredoslovenská vinohradnícka oblast, Východoslovenská vinohradnícka oblast and the wine growing areas not included in point 3(f);

(f) in Slovenia, the areas planted with vines in the following regions:

— in the Podravje region: Štajerska Slovenija, Prekmurje,

— in the Posavje region: Bizeljsko Sremič, Dolenjska and Bela krajina, and the areas planted with vines in the regions not included in point 4(d);

(g) in Romania, in the area of Podișul Transilvaniei.

(h) in Croatia, the areas planted with vines in the following sub-regions: Moslavina, Prigorje-Bilogora, Plešivica, Pokuplje and Zagorje-Međimurje.

(3) Wine-growing zone C I comprises:

(a) in France, areas planted with vines:

— in the following departments: Allier, Alpes-de-Haute-Provence, Hautes-Alpes, Alpes-Maritimes, Ariège, Aveyron, Cantal, Charente, Charente-Maritime, Corrèze, Côte-d'Or, Dordogne, Haute-Garonne, Gers, Gironde, Isère (with the exception of the commune of Chapareillan), Landes, Loire, Haute-Loire, Lot, Lot-et-Garonne, Lozère, Nièvre (except for the arrondissement of Cosne-sur-Loire), Puy-de-Dôme, Pyrénées-Atlantiques, Hautes-Pyrénées, Rhône, Saône-et-Loire, Tarn, Tarn-et-Garonne, Haute-Vienne, Yonne,

— in the arrondissements of Valence and Die in the department of Drôme (except for the cantons of Dieulefit, Loriol, Marsanne and Montélimar),

— in the arrondissement of Tournon, in the cantons of Antraigues, Burzet, Coucouron, Montpezat-sous-Bauzon, Privas, Saint-Etienne de Lugdarès, Saint-Pierreville, Valgorge and la Voulte-sur-Rhône of the department of Ardèche;

(b) in Italy, areas planted with vines in the Valle d'Aosta region and in the provinces of Sondrio, Bolzano, Trento and Belluno;

(c) in Spain, areas planted with vines in the provinces of A Coruña, Asturias, Cantabria, Guipúzcoa and Vizcaya;

(d) in Portugal, areas planted with vines in that part of the region of Norte which corresponds to the designated wine area of 'Vinho Verde' as well as the "Concelhos de Bombarral, Lourinhã, Mafra e Torres Vedras" (with the exception of 'Freguesias da Carvoeira e Dois Portos"), belonging to the 'Região viticola da Extremadura',

(e) in Hungary, all areas planted with vines,

(f) in Slovakia, areas planted with vines in the Tokajská vinohradnícka oblast,

(g) in Romania, areas planted with vines not included in point 2(g) or 4(f).

(h) in Croatia, areas planted with vines in the following sub-regions: Hrvatsko Podunavlje and Slavonija.

(4) Wine-growing zone C II comprises:

(a) in France, areas planted with vines:

— in the following departments: Aude, Bouches-du-Rhône, Gard, Hérault, Pyrénées-Orientales (except for the cantons of Olette and Arles-sur-Tech), Vaucluse,

— in the part of the department of Var bounded in the south by the northern limit of the communes of Evenos, Le Beausset, Solliès-Toucas, Cuers, Puget-Ville, Collobrières, La Garde-Freinet, Plan-de-la-Tour and Sainte-Maxime,

— in the arrondissement of Nyons and the canton of Loriol-sur-Drôme in the department of Drôme,

— in those parts of the department of Ardèche not listed in point 3(a);

(b) in Italy, areas planted with vines in the following regions: Abruzzo, Campania, Emilia-Romagna, Friuli-Venezia Giulia, Lazio, Liguria, Lombardy (except for the province of Sondrio), Marche, Molise, Piedmont, Tuscany, Umbria, Veneto (except for the province of Belluno), including the islands belonging to those regions, such as Elba and the other islands of the Tuscan archipelago, the Ponziane islands, Capri and Ischia;

(c) in Spain, areas planted with vines in the following provinces:

— Lugo, Orense, Pontevedra,

— Ávila (except for the communes which correspond to the designated wine 'comarca' of Cebreros), Burgos, León, Palencia, Salamanca, Segovia, Soria, Valladolid, Zamora,

— La Rioja,

— Álava,

— Navarra,

— Huesca,

— Barcelona, Girona, Lleida,

— in that part of the province of Zaragoza which lies to the north of the river Ebro,

— in those communes of the province of Tarragona included in the Penedés designation of origin,

— in that part of the province of Tarragona which corresponds to the designated wine 'comarca' of Conca de Barberá;

(d) in Slovenia, areas planted with vines in the following regions: Brda or Goriška Brda, Vipavska dolina or Vipava, Kras and Slovenska Istra;

(e) in Bulgaria, areas planted with vines in the following regions: Dunavska Ravnina (Дунавска равнина), Chernomorski Rayon (Черноморски район), Rozova Dolina (Розова долина);

(f) in Romania, areas planted with vines in the following regions:

Dealurile Buzăului, Dealu Mare, Severinului and Plaiurile Drâncei, Colinele Dobrogei, Terasele Dunării, the South wine region, including sands and other favourable regions.

(g) in Croatia, areas planted with vines in the following sub-regions: Hrvatska Istra, Hrvatsko primorje, Dalmatinska zagora, Sjeverna Dalmacija and Srednja i Južna Dalmacija.

(5) Wine-growing zone C III (a) comprises:

(a) in Greece, areas planted with vines in the following nomoi: Florina, Imathia, Kilkis, Grevena, Larisa, Ioannina, Levkas, Akhaia, Messinia, Arkadia, Korinthia, Iraklio, Khania, Rethimni, Samos, Lasithi and the island of Thira (Santorini);

(b) in Cyprus, areas planted with vines located at altitudes exceeding 600 metres;

(c) in Bulgaria, areas planted with vines not included in point 4(e).

(6) Wine-growing zone C III (b) comprises:

(a) in France, areas planted with vines:

— in the departments of Corsica,

— in that part of the department of Var situated between the sea and a line bounded by the communes (which are themselves included) of Evenos, Le Beausset, Solliès-Toucas, Cuers, Puget-Ville, Collobrières, La Garde-Freinet, Plan-de-la-Tour and Sainte-Maxime,

— in the cantons of Olette and Arles-sur-Tech in the department of Pyrénées-Orientales;

(b) in Italy, areas planted with vines in the following regions: Calabria, Basilicata, Apulia, Sardinia and Sicily, including the islands belonging to those regions, such as Pantelleria and the Lipari, Egadi and Pelagian islands;

(c) in Greece, areas planted with vines not listed in point 5(a);

(d) in Spain: areas planted with vines not included in points 3(c) or 4(c);

(e) in Portugal, areas planted with vines in the regions not included in point 3(d);

(f) in Cyprus, areas planted with vines located at altitudes not exceeding 600 metres;

(g) in Malta, areas planted with vines.

(7) The demarcation of the territories covered by the administrative units referred to in this Annex is that resulting from the national provisions in force on 15 December 1981 and, for Spain, from the national provisions in force on 1 March 1986 and, for Portugal, from the national provisions in force on 1 March 1998.

ANNEX VII

OENOLOGICAL PRACTICES REFERRED TO IN ARTICLE 62

Part I

Enrichment, acidification and de-acidification in certain wine-growing zones

A. Enrichment limits

1. Where climatic conditions have made it necessary in certain winegrowing zones of the Union, the Member States concerned may allow to supplement the natural alcoholic strength by volume of fresh grapes, grape must, grape must in fermentation, new wine still in fermentation and wine obtained from wine grape varieties classifiable according to Article 63.

2. The increase in natural alcoholic strength by volume shall be achieved by means of the oenological practices referred to in Section B and shall not exceed the following limits:

   (a) 3 % volume in wine-growing zone A ;

   (b) 2 % volume in wine-growing zone B ;

   (c) 1,5 % volume in wine-growing zones C .

3. In years when climatic conditions have been exceptionally unfavourable, Member States may request that the limit(s) laid down in point 2 be raised by 0,5 %. In response to such a request, the Commission under the powers as referred to in Article 68 shall adopt the implementing act as soon as possible. The Commission shall endeavour to take a decision within four weeks after the request has been submitted.

B. Enrichment processes

1. The increase in natural alcoholic strength by volume provided for in Section A shall only be effected:

   (a) in respect of fresh grapes, grape must in fermentation or new wine still in fermentation, by adding sucrose, concentrated grape must or rectified concentrated grape must;

(b) in respect of grape must, by adding sucrose, concentrated grape must or rectified concentrated grape must, or by partial concentration, including reverse osmosis;

(c) in respect of wine, by partial concentration through cooling.

2. The processes referred to in point 1 shall be mutually exclusive where wine or grape must is enriched with concentrated grape must or rectified concentrated grape must and an aid has been paid under Article 103y of Regulation (EC) No 1234/2007.

3. The addition of sucrose provided for in points 1(a) and (b) may only be performed by dry sugaring and only in the following areas:

(a) wine-growing zone A;

(b) wine-growing zone B;

(c) wine-growing zone C,

with the exception of vineyards in Italy, Greece, Spain, Portugal, Cyprus and vineyards in the French departments under jurisdiction of the courts of appeal of:

— Aix-en-Provence,

— Nîmes,

— Montpellier,

— Toulouse,

— Agen,

— Pau,

— Bordeaux,

— Bastia.

However, enrichment by dry sugaring may be authorised by the national authorities as an exception in the abovementioned French departments. France shall notify the Commission and the other Member States forthwith of any such authorisations.

4. The addition of concentrated grape must or rectified concentrated grape must shall not have the effect of increasing the initial volume of fresh crushed grapes, grape must, grape must in fermentation or new wine still in fermentation by more than 11 % in wine-growing zone A, 8 % in wine-growing zone B and 6,5 % in wine-growing zone C.

5. The concentration of grape must or of wine subjected to the processes referred to in point 1:

   (a) shall not have the effect of reducing the initial volume of these products by more than 20 %;

   (b) shall, notwithstanding point (2)(c) of Section A, not increase the natural alcoholic strength of these products by more than 2 % volume.

6. The processes referred to in points 1 and 5 shall not raise the total alcoholic strength by volume of the fresh grapes, grape must, grape must in fermentation, new wine still in fermentation, or wine:

   (a) in wine-growing zone A to more than 11,5 % volume;

   (b) in wine-growing zone B to more than 12 % volume;

   (c) in wine-growing zone C I to more than 12,5 % volume;

   (d) in wine-growing zone C II to more than 13 % volume; and

   (e) in wine-growing zone C III to more than 13,5 % volume.

7. By way of derogation from point 6, Member States may:

   (a) in relation to red wine, raise the upper limit of total alcoholic strength by volume of the products referred to in point 6 to 12 % volume in wine-growing zone A and 12,5 % volume in winegrowing zone B;

   (b) raise the total alcoholic strength by volume of the products referred to in point 6 for the production of wines with a designation of origin to a level to be determined by Member States.

C. Acidification and de-acidification

1. Fresh grapes, grape must, grape must in fermentation, new wine still in fermentation and wine may be subject to:

   (a) de-acidification in wine-growing zones A, B and C I ;

   (b) acidification and de-acidification in wine-growing zones C I, C II and C III (a), without prejudice to point 7 of this Section; or

   (c) acidification in wine-growing zone C III (b).

2. Acidification of the products, other than wine, referred to in point 1 may be carried out only up to a limit of 1,50 g/l expressed as tartaric acid, or 20 milliequivalents per litre.

3. Acidification of wines may be carried out only up to a limit of 2,50 g/l expressed as tartaric acid, or 33,3 milliequivalents per litre.

4. De-acidification of wines may be carried out only up to a limit of 1 g/l expressed as tartaric acid, or 13,3 milliequivalents per litre.

5. Grape must intended for concentration may be partially de-acidified.

6. Notwithstanding point 1, in years when climatic conditions have been exceptional, Member States may authorise acidification of the products referred to in point 1 in wine-growing zones A and B, under the conditions referred to in points 2 and 3 of this Section.

7. Acidification and enrichment, except by way of derogation to be adopted by the Commission by means of delegated acts pursuant to Article 59(1), and acidification and de-acidification of one and the same product shall be mutually exclusive processes.

D. Processes

1. None of the processes referred to in Sections B and C, with the exception of the acidification and de-acidification of wines, shall be authorised unless carried out, under conditions to be determined by the Commission by means of delegated acts pursuant to Article 59(1), at the time when the fresh grapes, grape must, grape must in fermentation or new wine still in fermentation are being turned into wine or into any other wine sector beverage intended for direct human consumption other than sparkling wine or aerated sparkling wine in the wine-growing zone where the fresh grapes used were harvested.

2. The concentration of wines shall take place in the wine-growing zone where the fresh grapes used were harvested.

3. Acidification and de-acidification of wines shall take place only in the wine making undertaking and in the wine-growing zone where the grapes used to produce the wine in question were harvested.

4. Each of the processes referred to in points 1, 2 and 3 shall be notified to the competent authorities. The same shall apply in respect of the quantities of concentrated grape must rectified concentrated grape must or sucrose held in the exercise of their profession by natural or legal persons or groups of persons, in particular producers, bottlers, processors and merchants to be determined by the Commission by means of delegated acts pursuant to Article 59(1), at the same time and in the same place as fresh grapes, grape must, grape must in fermentation or wine in bulk. The notification of these quantities may, however, be replaced by entry in a goods inwards and stock utilisation register.

5. Each of the processes referred to in Sections B and C shall be recorded on the accompanying document, as provided for in Article 103, under cover of which the products having undergone the processes are put into circulation.

6. Those processes, subject to derogations justified by exceptional climatic conditions, shall not be carried out:

(a) in wine-growing zone C after 1 January;

(b) in wine-growing zones A and B after 16 March, and

they shall be carried out only for products of the grape harvest immediately preceding those dates.

7. Notwithstanding point 6, concentration by cooling and acidification and de-acidification of wines may be practised throughout the year.

Part II

Restrictions

A. General

1. All authorised oenological practices shall exclude the addition of water, except where required on account of a specific technical necessity.

2. All authorised oenological practices shall exclude the addition of alcohol, except for practices related to obtaining fresh grape must with fermentation arrested by the addition of alcohol, liqueur wine, sparkling wine, wine fortified for distillation and semi-sparkling wine.

3. Wine fortified for distillation shall only be used for distillation.

B. Fresh grapes, grape must and grape juice

1. Fresh grape must in which fermentation is arrested by the addition of alcohol shall be used only during the stage of preparation of products which do not fall under CN codes 2204 10, 2204 21 and 2204 29. This is without prejudice to any stricter provisions which Member States may apply to the preparation in their territory of products which do not fall under CN codes 2204 10, 2204 21 and 2204 29.

2. Grape juice and concentrated grape juice shall not be made into wine or added to wine. They shall not undergo alcoholic fermentation in the territory of the Union.

3. The provisions of points 1 and 2 shall not apply to products intended for the production, in the United Kingdom, Ireland and Poland, of products falling within CN code 2206 00 for which Member States may allow the use of a composite name, including the sales designation ‘wine’.

4. Grape must in fermentation extracted from raisined grapes shall be put on the market only for the manufacture of liqueur wines only in the wine-growing regions where this usage was traditional on 1 January 1985, and for the manufacture of wine of overripe grapes.

5. Fresh grapes, grape must, grape must in fermentation, concentrated grape must, rectified concentrated grape must, grape must with fermentation arrested by the addition of alcohol, grape juice, concentrated grape juice and wine, or mixtures of those products, originating in third countries, may not be turned into products referred to in ~~this~~ ***part II of*** Annex ***VI*** or added to such products in the territory of the Union.

C. Blending of wines

Coupage of a wine originating in a third country with a Union wine and coupage between wines originating in third countries shall be prohibited in the Union.

D. By-products

1. The over-pressing of grapes shall be prohibited. Member States shall decide, taking account of local and technical conditions, the minimum quantity of alcohol that shall be contained in the marc and the lees after the pressing of grapes.

   The quantity of alcohol contained in those by-products shall be decided by Member States at a level at least equal to 5 % in relation to the volume of alcohol contained in the wine produced.

2. Except for alcohol, spirits and piquette, wine or any other beverage intended for direct human consumption shall not be produced from wine lees or grape marc. The pouring of wine onto lees or grape marc or pressed aszú pulp shall be allowed under conditions to be determined by the Commission by means of delegated acts pursuant to Article 59(1) where this practice is traditionally used for the production of 'Tokaji fordítás' and 'Tokaji máslás' in Hungary and 'Tokajský fortitáš' and 'Tokajský mášláš' in Slovakia.

3. The pressing of wine lees and the re-fermentation of grape marc for purposes other than distillation or production of piquette is prohibited. The filtering and centrifuging of wine lees shall not be considered as pressing where the products obtained are of sound, genuine and merchantable quality.

4. Piquette, where its production is authorised by the Member State concerned, shall be used only for distillation or for consumption in wine-producers' households.

5. Without prejudice to the possibility for Member States to decide to require disposal of by-products by way of distillation, any natural or legal persons or groups of persons who hold by-products shall be required to dispose of them subject to conditions to be determined by the Commission by means of delegated acts pursuant to Article 59(1).

ANNEX VIIa

OPTIONAL RESERVED TERMS

Product category (reference to Combined Nomenclature classification)	*Optional reserved term*
poultry meat (CN 0207, CN 0210)	*fed with* *extensive indoor / barn-reared* *free range* *traditional free range* *free range – total freedom* *age at slaughter* *length of fattening period*
eggs (CN 0407)	*fresh* *extra or extra fresh* *indication on how laying hens are fed*
olive oil (CN 1509)	*first cold pressing* *cold extraction* *acidity* *pungent* *fruity: ripe or green* *bitter* *intense* *medium* *light* *well-balanced* *mild oil*

ANNEX VIII[1]

CORRELATION TABLES REFERRED TO IN ARTICLE 163

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26	[17]
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28	[18(5)]
29	[18(7)(a), 19(k)(ii)]
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[1] To be checked as a whole by the layer linguists.

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ANNEX II

STATEMENTS FOR THE COUNCIL MINUTES

Council Legal Service declaration on Article 43(3)

[to be inserted]

Commission declaration on marketing standards (linked to Article 59(1a))

The Commission is keenly aware of the sensitivity of extending marketing standards to sectors or products which currently are not subject to these rules under the sCMO Regulation. Marketing standards should only apply to sectors where there are clear expectations of the consumers and when there is a need to improve the economic conditions for the production and marketing of specific products as well as to their quality, or to take into account technical progress or need for product innovation. They should also avoid administrative burden, be simply understandable for the consumers and help producers to easily communicate the characteristics and attributes of their products.

The Commission will take into account any duly justified request from Institutions or representative organisation, as well as the recommendations of International Bodies, but before using its power to include new products or sectors in paragraph 1 of Article 59 will be required to carefully assess the specificity of that sector and present a report to the European Parliament and the Council evaluating, in particular, the need of the consumer, the costs and administrative burdens for operators including the impact on the internal market and on international trade, as well as the benefits offered to producers and to the end consumer.

Commission declaration on sugar

In order to aim for a balanced market and a fluid supply of sugar to the Union market during the remaining period of sugar quotas, the Commission will have regard to the interests of both Union sugar beet growers and raw cane refiners in applying the temporary market management mechanism laid down in Article 101da of the sCMO Regulation.

Commission declaration on the European Price Monitoring Tool

The Commission recognises the importance of collecting and disseminating available data on price developments in the different steps of the food chain. To this end, the Commission has developed a Food Prices Monitoring Tool for Food Products, which draws from the combined food related price index data collected by National Statistical Offices. This tool aims at bringing together and making available price development along the food chain, and allows comparison of price developments for relevant agricultural products, for food industries and the relevant consumer products. This tool is under constant improvement and will aim to expand the range of food chain products it covers and in general to meet farmers' and consumers' need for more transparency and food price building. ***The Commission shall report regularly to the European Parliament and to the Council on the activities of the European Price Monitoring Tool and the results of the latter's studies.***